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ESCAP Meeting Concludes

Declaration Issued, Action Plan Adopted

SK1104033991 Seoul THE KOREA HERALD in English 11 Apr 91 p 1—FOR OFFICIAL USE ONLY

[Text] The U.N. Economic and Social Commission for Asia and the Pacific (ESCAP) closed its 47th session in Seoul yesterday, issuing the "Seoul Declaration" which calls for reinforcing regional cooperation.

The commission also adopted "Seoul Plan of Action" aimed at promoting industrial restructuring in the Asia-Pacific region, which was a major agendum of the session.

The next meeting of the ESCAP will be held in Beijing in April next year.

Korean Foreign Minister Yi Sang-ok is expected to visit Beijing to attend the meeting. Seoul and Beijing have no diplomatic relations.

Yi met with visiting Chinese Vice Minister Lin Huaqiu in the capacity of chairman of the Seoul session.

Yi said in his closing remarks that ESCAP is in the process of assuming an appropriate and useful role in the region's changed and more complex situation.

Following ESCAP's first major evolution in 1974, he said, the commission is now experiencing another important transition by gradually giving more focused attention to strengthening regional cooperation.

"By concentrating more on efforts to intensify cooperation, I believe ESCAP can play an even more important role in the region's progress, helping to ensure its sustained growth and dynamism as well as the improved management of its interdependence," Yi said.

Executive Secretary of ESCAP S.A.M.S. Kibria said that the Seoul session "marks a watershed, a fresh beginning and the genesis of a transition in not only the work of the commission but also in the affairs of our region as a whole."

He said the objective needs and priorities for the vast region of Asia and the Pacific are changing quite rapidly and the commission has felt a compulsion that it ought to reorient its approach to deal with the development needs of the members so as to respond effectively to their changing priorities and circumstances.

During the 10-day session at the Hotel Lotte, 29 countries have pledged a total of $17.33 million this year for institutions and programs of ESCAP.

The pledged donations, in cash and kind, represented an increase of 9.5 percent over the previous year's $15.82 million, according to ESCAP officials.

Among the donors are Australia, Bangladesh, China, France, Germany, Hong Kong, India, Indonesia, Iran, Japan, Malaysia, Nepal, Korea, Thailand, Sri Lanka and Vietnam.

The 47th ESCAP session was participated in by some 1,000 officials from 48 member countries and 100 international organizations.

THE KOREA HERALD Publishes Declaration

SK1104030591 Seoul THE KOREA HERALD in English 11 Apr 91 p 2—FOR OFFICIAL USE ONLY

["Seoul Declaration" issued 10 April at close of 47th session of Economic and Social Commission for Asia and the Pacific in Seoul]

[Text] Sponsored by: Australia, Bangladesh, Brunei Darussalam, Fiji, India, Indonesia, Islamic Republic of Iran, Japan, Lao People's Democratic Republic, Malaysia, Mongolia, Myanmar, Nepal, New Zealand, Papua New Guinea, Philippines, Republic of Korea, Singapore, Thailand, Tonga, United States of America, Union of Soviet Socialist Republics and Vietnam

The Economic and Social Commission for Asia and the Pacific [ESCAP],

Acknowledging the inspiring address of the President of the Republic of Korea on the occasion of its forty-seventh session and endorsing his desire that ESCAP continue to play an important role in strengthening regional cooperation as well as promoting friendly and cooperative relations among members and associate members of the commission,

Recognizing that ESCAP, as the principal arm of the United Nations in the Asian and Pacific region and as the regional intergovernmental forum with the broadest membership, has continued to provide opportunities for members and associate members to meet every year at the ministerial level to review and discuss major economic and social issues from the standpoint of the Asian and Pacific region,

Recognizing also the contributions made and the major role played by the commission as a driving force for regional cooperation which has contributed to the development of a common will among the countries in the Asian and Pacific region,

Recognizing further the dynamism and vitality of the Asian and Pacific region and the need to utilize fully existing subregional organizations in the region with a view to fostering appropriate cooperation and interaction between them to enhance progress in the region,

Noting that, with the spread of a reconciliatory and cooperative atmosphere in the region, members and associate members are now able to give priority to the socio-economic development of their countries rather than confronting each other with ideologies and systems,

Recalling, inter alia, the Lahore Convention of 1951, the Tokyo Declaration of 1967, the Kabul Declaration of 1970 and the Declaration on the Fortieth Anniversary of ESCAP of 1987, which have provided policy directions for regional cooperation in Asia and the Pacific,

1. Declares that regional cooperation is of paramount importance and that the promotion of a spirit of good will and friendly relations among all countries of Asia and the Pacific is essential in broadening such cooperation;

2. Reaffirms the role of ESCAP, as mandated by the United Nations General Assembly, as the main general economic and social development center within the United Nations system for the Asian and Pacific region;

3. Urges all members and associate members to reaffirm their political will, redouble their resolve and take concerted action to strengthen regional cooperation with a view to meeting effectively the economic and social development challenges in the coming decades.

Japan

Agenda for Kaifu-Gorbachev Talks Outlined

OW1204111291 Tokyo KYODO in English 1051 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Soviet President Mikhail Gorbachev and Prime Minister Toshiki Kaifu will focus their attention on resolving the disputed territories issue when they meet for three rounds of talks next week, government sources said Friday.

As the agenda for the three rounds of talks scheduled for Tuesday and Wednesday began to take shape, schedulers were leaving open the possibility of a fourth private session Thursday in an attempt to wrap up the northern territories question.

Gorbachev, the first Kremlin leader to visit Japan, and Kaifu will also discuss the conclusion of a Japan-Soviet peace treaty, other bilateral issues, and the international and regional situation.

The two leaders are expected to sign 15 bilateral agreements, memos, joint statements covering a range of issues, including demands of former Japanese detainees in Siberian POW camps, the environment, and cultural exchanges.

Government sources suggested that Tuesday's three-hour initial session will be devoted to discussing the question of Japan's claim to four Soviet-held islands off the northeastern shores of Hokkaido.

A fourth meeting, attended only by Gorbachev, Kaifu and their translators, would be scheduled for Thursday if the possibility of political resolution to the question could provide a climax to the summit.

Wednesday morning's three-hour session will likely be devoted to other bilateral issues with the shorter afternoon session open for discussion of Asia-Pacific and international questions, the sources said.

In discussion of the disputed territories, Japan will seek Soviet recognition of Japanese sovereignty over Kunashiri, Etorofu, Shikotan, and the Habomai islets, while analysts and commentators speculate on how Gorbachev will respond.

Some observers expect Gorbachev to only go as far as formally recognizing the existence of a dispute between the Soviet Union and Japan, which the Kremlin has denied since the end of World War II. This would be a major disappointment for Kaifu, observers have remarked, and expect him at least to press for the return of Shikotan and the Habomais, as agreed in the 1956 Japan-Soviet Joint Declaration. Negotiations would continue for the eventual return of the larger islands of Kunashiri and Etorofu.

Japan is likely to hold to its position that discussion of true Japan-Soviet economic cooperation would not be possible without a resolution to the territorial issue. However, not wishing to let the opportunities offered by Gorbachev's visit get away, analysts expect to some degree agreement of economic cooperation that could be developed in the future.

Meeting for 90 minutes on Thursday afternoon, Gorbachev and Kaifu will likely talk about the Middle East in the aftermath of the Persian Gulf war, but are likely to focus largely on Soviet proposals for an East Asian version of the Conference on Security and Cooperation in Europe (CSCE).

Again, Japan is expected to deflect this proposal by noting the existence of tension in the region over the islands issue and because of the divided Korean peninsula.

Among the official documents to be cosigned by the two leaders will be an agreement to provide Japan with the names of Japanese who died in Siberian POW camps following World War II, the location of gravesites, and permission for Japanese to visit the sites.

Japan and the Soviet Union will also agree to set up a joint commission to study problems of air pollution and other environmental concerns.

Kaifu and Gorbachev are expected to issue a joint statement on Wednesday afternoon which will be signed by respective foreign ministers Taro Nakayama and Aleksandr Bessmertnykh.

Gorbachev To Visit Nagasaki Park

OW1204135091 Tokyo KYODO in English 1304 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Soviet President Mikhail Gorbachev will visit Nagasaki Peace Park following a call at the city's Russian Cemetery on April 19, his last day in Japan, a government source revealed Friday.

The source said Gorbachev expressed a strong desire to visit the peace park which is located at the epicenter of the atomic bomb blast which destroyed the city in the closing days of World War II.

On the same day, Gorbachev will visit Kyoto in the morning and then go to Osaka where he will give a luncheon address to business people from the Kansai area before flying to Nagasaki.

Gorbachev Not To Visit Hiroshima

OW1204044691 Tokyo KYODO in English 0352 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Soviet President Mikahil Gorbachev's tight schedule will keep him from visiting Hiroshima during his April 16-19 visit to Japan, government officials said Friday.

The Soviet Government has informed the Foreign Ministry that Gorbachev would like to visit Hiroshima, the world's first atom- bombed city, while on his way to Nagasaki on April 19.

The ministry began making adjustments in Gorbachev's itinerary to accommodate his wishes. Officials, however, decided to drop Hiroshima because of the tightness of the schedule and because Moscow is more insistent on a visit to the Russian cemetery in Nagasaki, another Japanese city hit by an atomic bomb.

Gorbachev already is scheduled to visit Kyoto and Osaka on April 19, before leaving Nagasaki for Cheju Island, South Korea.

Ignatenko Leads Gorbachev-Visit Advance Team

OW1204123191 Tokyo KYODO in English 1214 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—President Mikhail Gorbachev will present his ideas about how to resolve territorial dispute with Japan on the final day of his talks with Prime Minister Toshiki Kaifu, the Soviet presidential spokesman said Friday.

Vitaliy Ignatenko's remarks to reporters appeared to rule out any bold proposal to resolve the dispute over four Soviet-occupied islands coming early in his talks with Kaifu, which are scheduled to be held in three sessions Tuesday and Wednesday, with a possible extra session Thursday.

"The recent Soviet thinking will find its reflection in what will be said by President Gorbachev...during the last day of talks," Ignatenko said in a press conference at the Foreign Correspondents Club of Japan.

Ignatenko is here as part of the Soviet advance team to prepare for Gorbachev's four-day visit to Japan beginning Tuesday.

Japan demands the return of the islands of Kunashiri, Etorofu, Shikotan, and the Habomai group as a condition for concluding a peace treaty and entering into a full-fledged economic relationship with Moscow.

Ignatenko denied media reports that Japan through a ruling Liberal Democratic Party intermediary offered Moscow some 28 billion dollars in aid in return for Soviet recognition of Japanese sovereignty over the four islands.

"It seems to me that it's impossible to do bargaining on such a difficult issue," he said. "How can you value how much the air costs or the water in the sea, or anything else."

Ignatenko downplayed recent remarks attributed to Soviet Defense Minister Dmitriy Yazov, who was quoted by the newspaper MAINICHI SHIMBUN as saying there is no room for compromise on the territorial dispute and that Gorbachev can not decide the issue alone.

Yazov had reportedly argued that if the territorial question were to be settled to Japan's advantage, the security of the Soviet Union would be compromised because the disputed islands serve as important border outposts in the Soviet Far East.

"I don't think we should be seeing in Marshal Yazov's statements more than there is," Ignatenko said. "He's a military man put there to guarantee the security of his country, so he expresses the point of view of those people dealing with defense issues."

Ignatenko called the Soviet Union "a civilized, democratic country" where the military "know their place."

But he added, "the influence of the military in the politics of my country shouldn't be overestimated, but it shouldn't be underestimated either."

Konstantin Sarkisov, head of the Center of Japanese Studies in the Soviet Academy of Sciences, said at the same gathering that it is "hard to predict" what Gorbachev will say on the territorial issue.

Sarkisov, however, said he was convinced the Soviet leader's visit "will start a process that eventually must lead towards conclusion of a peace treaty on the basis of a natural solution of all problems, including the territorial problem."

"The way it will be solved is a very serious question," he added. "I don't think it will be months—most likely it will be years, but hopefully not decades."

Nakayama, Ikeda Remark on Gorbachev Visit

OW1204054791 Tokyo NHK General Television Network in Japanese 0300 GMT 12 Apr 91

[Text] Reporting to a cabinet meeting today, Foreign Minister Taro Nakayama said:

During the Soviet president's forthcoming visit to Japan, Japanese-Soviet talks will reach the crucial point. The government wishes to make the visit a breakthrough for building Japanese-Soviet relations of a new quality in all spheres, after resolving the pending northern territories issue and concluding a peace treaty. In this connection, the government will do everything in its power. I hope that the government will be united as one body, and come to grips with this visit with indomitable resolve.

He then asked all cabinet members for their cooperation.

Meanwhile, Yukihiko Ikeda, director general of the Defense Agency, emerging from the cabinet meeting today, told a press conference: At the forthcoming Japan-Soviet summit talks, the Soviet side is expected to mention exchanges between the Soviet Defense Ministry and the Japanese Defense Agency, or mutual notification of large-scale military exercises. However, caution

should be exercised in addressing security issues between Japan and the Soviet Union.

Ministry: 'Little Hope' on Islands Issue

OW1204012091 Tokyo KYODO in English 0025 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—There is little hope Soviet President Mikhail Gorbachev will recognize Japan's sovereignty on all four Soviet-held islands during talks next week with Japanese Prime Minister Toshiki Kaifu, Foreign Ministry sources said Thursday.

The sources said it would be difficult for Gorbachev to concede sovereignty partially because of the Soviet Union's economic crisis and moves toward independence by rebellious Soviet republics.

Analyzing Gorbachev's position toward talks with Kaifu, they said the Soviet president may respond positively to a return of the two smaller islands, Shikotan and the Habomai group of islets.

In the 1956 Japan-Soviet joint declaration, which restored diplomatic ties between the two countries, Moscow promised to return those two islands.

The Kremlin leader is likely to propose continuing talks on the larger, more populated islands Kunashiri and Etorofu, the sources said.

Moscow sees no major military importance for Shikotan and the Habomais. But the Soviet military has opposed returning Kunashiri and Etorofu, where major bases are located, the sources said.

Japan will ask the Soviet Union to reconfirm the 1956 joint declaration in a joint communique to be issued after the summit talks, the sources said.

It will also ask the Soviets to recognize in the communique that the ownership of Kunashiri and Etorofu is still unresolved between the two countries, they said.

The territorial dispute is expected to be the main focus of at least three rounds of summit talks during Gorbachev's visit to Japan on April 16-19.

The four islands seized by the Soviet Union at the end of World War II are located east of Japan's northernmost main island of Hokkaido.

Defense Chief 'Cautious' on Soviet Initiative

OW1204062891 Tokyo KYODO in English 0522 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Defense Agency Director General Yukihiko Ikeda on Friday gave a cautious opinion on an Asia- Pacific security initiative that Soviet President Mikhail Gorbachev is expected to announce when he visits Japan next week.

The Soviet leader reportedly will propose establishing a blanket security system in the region, or an Asian version of the Conference on Security and Cooperation in Europe, and confidence-building measures with Japan during the visit.

Japan will have difficulty dealing with such a plan since there is limited political dialogue between the two countries, Ikeda told reporters after a regular cabinet meeting.

"I think it is hard to formally discuss the matter between high- level officials of the two nations," he said, referring to the Soviet call for confidence-building measures with Japan.

Former Soviet Foreign Minister Eduard Shevardnadze proposed such confidence-building measures as advance notice and reciprocal inspection of military exercises when he visited Japan last September.

The Defense Chief urged the Soviet Union to first reduce arms and troops in the Soviet Far East and to open its military information to other nations before promoting such measures in Japan.

Agriculture Chief Plans To Visit Moscow

OW1204045191 Tokyo KYODO in English 0341 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Motoji Kondo, minister of Agriculture, Forestry and Fisheries, said Friday he plans to visit Moscow in May to discuss Japan-Soviet fisheries issues.

Kondo told reporters he intends to base the talks on progress he expects will made on the issue during Soviet President Mikhail Gorbachev's visit to Japan April 16-19.

He said he will talk about fishing within the 200-nautical mile economic zone between the two countries.

"From now on, it is important that the negotiation (on fisheries issues) be made from a new aspect," Kondo said.

Businessmen Ready To Accept Soviet Trainees

OW1204063091 Tokyo KYODO in English 0527 GMT 12 Apr 91

[Text] Osaka, April 12 KYODO—The Chairman of the Kansai Economic Federation, Osamu Uno, will tell Soviet President Mikhail Gorbachev during their informal talks on April 19 that the Kansai region is ready to accept trainees from the Soviet Union, federation sources said Friday.

Gorbachev, who is due to arrive in Japan on April 16 for a four- day visit, is scheduled to hold informal talks over lunch with 11 Kansai government and citizens groups, including Uno, next Friday in Kyoto.

The Soviet trainees will be accepted by the Pacific Resource Exchange Center, which was created last year and is financed by the government and through public support.

Osaka has appropriated 2 million yen for research expenses in its budget for the program and started examining the possibility of receiving trainees from its sister city of Leningrad beginning in the current fiscal year, which began on April 1.

If the plans materialize, they are expected to spur further personnel exchanges on the business level between the two countries.

Leningrad wants to send 20 to 30 trainees to Japan, hoping their experience would help in its economic liberalization program.

The exchange center said it plans to have Japanese managers in the private sector conduct lectures and provide practical business training to Soviet corporate executives.

It also plans to allow plant managers and those in the agricultural sector to observe plant operations and agricultural cooperative unions.

The training period will last for up to two months.

Although Japan will pay for the program, the organizers have not yet decieed how the financial burden will be shared among the national government, local autonomous bodies, and financial circles.

Industrial Sample Fair To Be Held in USSR

OW1204101191 Tokyo KYODO in English 0941 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Japan will hold its largest industrial sample fair in Moscow next spring to help promote the perestroyka reforms in the Soviet Union, organizers announced Friday.

The semigovernmental Japan External Trade Organization (JETRO) said nearly 200 local entities and trade groups will display a variety of products ranging from foods and home electrical appliances to telecommunications, medical, and environment protection-related equipment.

About 1,400 representatives from the organizers and exhibitors are expected to attend the fair to plug products Japan has to offer to the Soviet Union.

The exhibition is expected to attract an estimated 150,000 people, including Soviet government officials and buyers, JETRO officials said.

It will be the first Japanese industrial exhibition held in the Soviet capital since an industrial fair in 1986 sponsored by the Japan-Soviet Economic Committee.

JETRO held similar fairs in the Soviet Union three times up to 1970, but nothing since then because of the strained political relations between Tokyo and Moscow, the officials said.

Kaifu, LDP Secretary General Meet for Dinner

OW1204014591 Tokyo KYODO in English 0031 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Prime Minister Toshiki Kaifu and Liberal Democratic Party [LDP] Secretary General Keizo Obuchi agreed Thursday to seek support from opposition parties for a plan to send minesweepers to the Persian Gulf, LDP sources said.

In a two-hour dinner meeting, Kaifu and Obuchi agreed in principle that Japan should send minesweepers to the Gulf, the sources said.

Kaifu is expected to arrive at a conclusion after meeting with leaders of opposition parties, which were convening separate meetings to review their opposition to the plan in light of an impending permanent ceasefire in the Gulf and demands from Japanese sailors and business interests.

A final decision is expected prior to Kaifu's departure on April 27 for a five-nation tour of Southeast Asia, a top government source said.

Government sources said that minesweepers could be dispatched within a week after Kaifu gives the green light.

Japan's Self-Defense Forces (SDF) are drawing up plans to send four minesweepers, accompanied by a support ship and supply ship. The combined crew would total 500, Defense Agency sources said.

The ships could be dispatched after a cabinet decision, according to present laws, government sources said. However, the government might be unable to send the minesweepers unless it can obtain support particularly from Komeito, the second-largest opposition party.

The government and the ruling party hope to keep cooperative relations with Komeito, which holds the swing vote in the opposition-dominated House of Councillors, the sources said.

Failure to obtain opposition support would also jeopardize a tentative agreement among the LDP, Komeito, and the Democratic Socialist Party to draw up a bill outlining Japan's participation in U.N. peacekeeping operations, they said.

The government attempted to pass a bill last fall enabling the SDF to serve in noncombat roles in conflicts conducted in accordance with U.N. resolutions. However, the bill was dropped following opposition protests that it would counter the Constitution, which bans the country from using force as a means of settling international disputes.

Komeito on Thursday appeared ready to soften its opposition to the dispatch of minesweepers in view of an impending United Nations- monitored ceasefire and

requests from the Sailors Union and business interests that the ships be allowed to go to the Gulf, Komeito sources said.

Komeito parliamentarians attending a meeting to discuss the possible dispatch voiced concern, however, that the overseas dispatch of SDF personnel would counter their efforts to establish a separate organization to assist in United Nations peacekeeping operations.

There are some [word indistinct] mines afloat in the Persian Gulf following the Gulf war. So far six nations—the United States, Britain, Saudi Arabia, Germany, France, and the Netherlands—have sent minesweepers to the area.

Arabian Oil Co., a Japanese company producing oil in the Persian Gulf near Kuwait, has requested the Japanese Government to join the other nations in the Gulf cleanup missions, government sources said. The company says none of the minesweepers is clearing mines near its loading facility in Khafji.

Meanwhile, Kaifu and Obuchi also discussed next week's historic visit to Japan by Soviet President Mikhail Gorbachev and concurred that Japan should stick to its demand that all four islands seized by the Soviet Union at the end of World War II be returned, the sources said.

It was their first extensive meeting since Obuchi stepped into the ruling party's No. 2 position on Monday following the resignation of his predecessor, Ichiro Ozawa.

LDP Panel Rules Out Bilateral U.S. Rice Talks

OW1204121791 Tokyo KYODO in English 1153 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—A farm trade committee in the ruling Liberal Democratic Party (LDP) affirmed Friday that Japan should negotiate the rice issue within the framework of the Uruguay Round of multilateral trade talks, LDP sources said.

They said the party's committee on agricultural, forestry, and fisheries trade problems also decided to pursue the principle of food for national security.

The sources said the committee demanded that the LDP's Agriculture and Forestry Division be entrusted to make a decision on the ruling party's farm policy, including the issue on whether to open Japan's rice market.

The party committee's decision apparently was aimed at quelling rising calls within the party for Japan to partially open its rice market to imports.

The four-year Uruguay Round trade talks, originally scheduled to conclude at the end of last year, have been deadlocked over the farm issue.

The officials said the committee resolved to try to correct what they called the "misunderstanding" that a settlement of the rice issue will help bring about a successful conclusion of the global trade negotiations.

Medical Team for Refugee Relief Leaves for Iran

OW1204103791 Tokyo KYODO in English 0949 GMT 12 Apr 91

[Text] Narita, Chiba Prefecture, April 12 KYODO—An emergency Japanese medical team left for Iran on Friday to take care of hundreds of thousands of refugees, mostly Kurds, streaming across from Iraq in the wake of the post-Persian Gulf war revolt there.

Foreign Ministry officials said the six-member Japan International Cooperation Agency (JICA) relief team will arrive in Tehran on Saturday and stay in camps to assist the refugees and assess further needs until late April.

The team consists of a doctor, two nurses, an interpreter, and two government aid specialists, they said.

Cabinet Ministers Confirm New Aid Guidelines

OW1204081591 Tokyo KYODO in English 0629 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Cabinet ministers responsible for foreign aid projects Friday confirmed new guidelines for Japan's Official Development Assistance (ODA) which include a closer watch on military spending and arms trade by nations receiving aid.

In a recent House of Councillors Budget Committee meeting, Prime Minister Toshiki Kaifu endorsed using such guidelines in allocating official aid.

The four-point guidelines call for considering recipient nations' development and manufacture of mass destructive weapons such as nuclear arms, as well as their promotion of democracy, their efforts to introduce market-oriented economies and their records on human rights.

The ministers also decided Japan should increase its help in fighting pollution and health hazards created by oil spills and fires in the Persian Gulf.

It decided that ODA funds would not be used just for development projects in recipient nations, and that some aid would help preserve tropical forests and the environment.

The move reflected complaints by residents and environmental groups in nations receiving aid that development projects have damaged the environment.

Kaifu Friday morning said he intended to implement the new guidelines fully.

Foreign Minister Taro Nakayama told his fellow ministers Friday that fiscal 1991's budget of 70.35 trillion yen includes 883 billion yen for ODA.

The new ODA budget, up 8 percent from fiscal 1990, made Japan the world's third-largest aid donor in U.S. dollar terms for the third consecutive year.

Mission To Review Programs

OW1204081691 Tokyo KYODO in English 0633 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—The government will send a mission overseas to review Japan's Official Development Assistance (ODA) programs, said Michio Ochi, state minister and head of the Economic Planning Agency (EPA), on Friday.

Ochi said the mission, which will study ways to improve Japan's yen loan programs, will depart soon after the current Diet session ends in May.

Ochi did not name the countries the mission will visit, but said it will examine ODA-funded projects for a wide-ranging study on their impact on the environment and human health, among other areas.

The mission is expected to include officials from the EPA, the Foreign Ministry, the Ministry of International Trade and Industry, and the Environment Agency.

SDP Proposes Regional Economic Plan

OW1204140591 Tokyo KYODO in English 1248 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—On the eve of the April 16-19 visit of Soviet President Mikhail Gorbachev to Japan, the Social Democratic Party (SDP) on Friday proposed a plan designed to promote economic cooperation between Japan and Northeast Asian countries.

Kanji Kawasaki, a senior party official and member of the House of Representatives, made the proposal in a meeting with reporters after the party's International Economic Policy Committee adopted a plan for Japan's economic cooperation with Mongolia, South and North Korea, China and the Soviet Union.

Regional economic cooperation among the six countries would create mutual confidence and a relaxation of tension in Northeast Asia, Kawasaki said.

He said such Northeast Asian economic cooperation would also enable Japan to reduce its economic and trade dependence on the United States.

SDP chairwoman Takako Doi will brief Gorbachev about the plan when the Kremlin leader visits Japan from next Tuesday through Friday, Kawasaki said.

The party will also explain the plan to China, Mongolia and the two Koreas as a call for economic cooperation could prompt fears in such Asian countries of the reemergence of something like Japan's Greater East Asia Co-Prosperity Sphere of an earlier era, Kawasaki said.

To justify its aggression and control of other countries in the region and its waging of war against the United States, Britain, the Netherlands and other allied states during the period 1941-1945, Japan spoke of Asian co-prosperity and an end to the colonial rules of European powers in Asia.

Kawasaki said Tokyo needs to take a flexible attitude on giving permission for manual workers from northeast Asian countries to work in Japan as part of its economic cooperation.

Minister Remarks on G-7 Discussion Topics

OW1204044891 Tokyo KYODO in English 0326 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Currency and interest rates will not be on the main agenda when top finance officials from the group of seven (G7) industrial nations gather at the inauguration of the European Bank for Development and Reconstruction (EBRD), Finance Minister Ryutaro Hashimoto said Friday.

The two issues will not be a major issue because the G-7 central bankers will not attend next week's EBRD inaugural events, Hashimoto told the press after the regular morning cabinet meeting.

Instead, the G-7 meeting will focus on economic reforms in Central and Eastern Europe, economic assistance to the Soviet Union, and the cost of reconstruction after the Persian Gulf war.

Thursday in London, Jacques Attali, president of EBRD, said he does not expect the G-7 nations to issue any communique after their meeting. The bank is to hold an inauguration meeting for a three- day session from Monday.

Hashimoto Friday also said there could be agreements for financial assistance to the Soviet Union if the Soviets return to Japan the four northern islands off Hokkaido which have been under their control since the end of World War II.

He said, however, that it was unlikely Soviet political and economic conditions had improved enough for international monetary institutions to revise their evaluations of the Soviet Union.

NKK, U.S., Taiwan Chip Firms Enter Tie-Ups

OW1204005491 Tokyo KYODO in English 0009 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—NKK Corp., a major Japanese steelmaker and shipbuilder which also has a chip division, has entered into semiconductor tie-ups with California-based Mips Computer Systems and Taiwan's Macronix International, industry sources said Thursday.

The technological tie-up accords follow a similar agreement concluded in January this year between NKK and

a U.S. chip maker on SRAMS—static random access memory chips for computers which retain data even if the power supply is switched off and whose data does not need to be refreshed, as opposed to dynamic random access memory (DRAM) chips.

NKK plans to promote its semiconductor device business with the emphasis on ASICS (applications specific integrated circuits), which are specially designed for one particular function or to particular specifications. The company has finished its ASIC technology introduction with the conclusion of the two agreements, the sources said.

Under the agreement just concluded, NKK has won the Mips Computer Systems license to produce and sell the microprocessors of the RISC (reduced instructions set computer) type, which are known for their quick data-processing speed.

NKK has agreed with Macronix on joint development of 8- and 16- megabit masked ROMS. A masked ROM is a read-only memory device that is programmed during manufacture by depositing metal onto selected regions dictated by the shape of a mask.

NKK is building an electronic devices research laboratory at Ayase in Kanagawa Prefecture, which is due to be completed in the fall of next year.

Mips is a major maker of RISC-type microprocessors for installation in workstations.

Macronix, a venture business, is known for its sophisticated masked ROM technology. The firm is now building a plant capable of producing 10,000 6-inch wafers per month which is expected to go into operation this coming fall.

Mazda To Send Microchip Study Team to U.S.

OW1204104391 Tokyo KYODO in English 0901 GMT 12 Apr 91

[Text] Tokyo, April 12 KYODO—Mazda Motor Corp. will dispatch a team to the United States in June jointly with six electrical auto parts manufacturers to study the purchase of U.S.- made semiconductors, officials of the company said Friday.

The joint study team, in which Nippondenso Co. and Mitsubishi Electric Corp. are also taking part, will visit five U.S. semiconductor manufacturers, including Intel Corp., Motorola Inc., and Texas Instruments Inc., the officials said.

The team will stress the importance of joint development with Japanese chip makers to expand Japan's purchase of U.S. products, they said.

Each member firm of the team will also have business negotiations individually with U.S. counterparts, they said.

Mazda set up the Semiconductor Purchasing Expansion Committee in October 1989, jointly with 28 auto parts manufacturers, and held an exhibition and a briefing session by foreign makers at its headquarters in Hiroshima last September. The committee organized the study team, the officials said.

Mazda's purchase of foreign semiconductors amounted to 820 million yen in fiscal 1990, and is expected to expand to 1.3 billion yen in fiscal 1992, they said.

North Korea

Ministry Spokesman Views Unilateral UN Entry

SK1104154091 Pyongyang KCNA in English 1511 GMT 11 Apr 91

[Text] Pyongyang April 11 (KCNA)—A spokesman of the Ministry of Foreign Affairs of the Democratic People's Republic of Korea today answered questions put by KCNA on the recent submission of a "government memorandum" on the entry into the United Nations to the Security Council by the South Korean side.

The South Korean authorities in it let out the poor explanation and argument that South Korea is "qualified" to be a member of the United Nations and stated that they would take measures for its unilateral "U.N. membership" this year, if the North refused the "option" of entry into it.

On our stand toward the question of entry into the United Nations, the Foreign Ministry spokesman said:

We have firmly adhered to the stand that the North and the South should develop foreign relations on the principle of creating an international climate favorable for the independent and peaceful reunification of the country.

Hence the DPRK Government has consistently maintained that one reunified Korea should enter the United Nations and we proposed that, if the North and the South are to enter it before reunification, they should share one seat in it in favor of the cause of reunification, not entering it separately, and made patient sincere efforts toward this end.

Such stand and efforts of ours proceeded from the noble desire and sense of responsibility for preventing the permanent division of the country and achieving its reunification at any cost.

But, the South Korean authorities, regardless of this, are trying to legalize the country's division internationally and perpetuate it through the United Nations whose mission is to safeguard peace and justice.

The "government memorandum" which the South Korean authorities said they presented to the U.N. Security Council is, in essence, an open declaration that they would unilaterally give up the discussion of the U.N. membership problem which is one of the important

agenda items of North-South high-level talks and "unilaterally enter the United Nations."

It is the South Korean authorities who have brought North-South dialogue to suspension by staging the "Team Spirit" joint military exercises from the beginning of the year in defiance of our repeated warning and opposition. It is also them who have unilaterally given up the discussion of the agenda item brought up at the dialogue.

This is an anti-dialogue, anti-reunification act indicating that the South Korean authorities are deliberately bringing North-South dialogue to a collapse.

In North-South dialogue, they have persistently rejected the adoption of a non-aggression declaration which will be a starting point of confidence-building and its most important guarantee, and are now unhesitatingly terming our reunification-orientated proposal for the U.N. membership of the North and the South with a single seat as an unrealistic one, claiming that the separate entry of the North and the South into the U.N. is conducive to "confidence-building".

This is no more than a sophism put forward by the South Korean authorities to justify their splittist moves, turning their face away from our reunification-oriented proposal and the North-South dialogue.

If the South Korean authorities force their "unilateral entry" on the occasion of the U.N. General Assembly session this year, they will leave an indelible splittist record in the history of our nation.

The spokesman further said:

The desire of the nation for reunification is growing stronger after the North and the South formed a unified team in the sports field and it is the firm faith of our nation that, given the will for reunification, they could enter the United Nations together.

If the North-South high-level talks had not been suspended, a more flexible proposal concerning U.N. membership would have been raised and discussions based on it could have been deepened.

Since the entry into the United Nations is a domestic affair of the nation, it is the desire not only of the Korean people but also of the world peaceloving people that it is discussed and decided upon between the North and the South.

If the South Korean authorities, ignoring this, unilaterally deal with the U.N. membership problem without any agreement with us, they should be held responsible for the consequences arising from this.

U.S., South 10, 11 Apr Military Exercises Noted

SK1204053991 Pyongyang KCNA in English 0502 GMT 12 Apr 91

[Text] Pyongyang April 12 (kcna)—The U.S. Pacific Navy Command staged Wednesday an aerial military exercise for a long-range surprise strike with the Korean Peninsula as the operational theatre, according to military sources.

Several formations of A-6 assault planes based on Atsuki, Japan, participated in the exercise staged in the air above Asan Bay.

On the same day, the U.S. imperialists staged an in-flight refueling exercise in the air above Kwangju and Chongup with the mobilization of Guam-based KC-135 tanker plane and F-16 fighter-bombers belonging to the U.S. Seventh Airforce, more than 40 in all.

The U.S. imperialists and the South Korean authorities staged joint air and ground strike exercises against the northern half of Korea that day.

The military manoeuvres in the sky above Wonju, Chechon, Tokjok Islet, Kangrung, Yoju and Chungju involved formations of F-16s from the U.S. Pacific bases and fighter-bombers and assault planes belonging to the puppet airforce over 190 in all.

On the 10th, the U.S. imperialists and the South Korean authorities sent scores of fighter-bombers and observation planes to the air above Uijongbu for an offensive exercise of ground units under their support.

Meanwhile, the U.S. imperialists let a high-altitude strategic reconnaissance plane and tactical reconnaissance plane repeatedly fly over the Military Demarcation Line area that day to spy on the North side's portion.

Kim Yong-nam Congratulates PRC's Qian Qichen

SK1204103991 Pyongyang KCNA in English 1021 GMT 12 Apr 91

[Text] Pyongyang April 12 (KCNA)—Vice-premier and Foreign Minister Kim Yong-nam sent a message of greetings to Qian Qichen upon his appointment as state councillor of the People's Republic of China.

Expressing the belief that the friendly and cooperative relations between the two foreign ministries will continue strengthening and developing in the spirit of traditional friendship between Korea and China, the message sincerely wished him greater success in his responsible work.

Second Session of Ninth SPA Opens in Pyongyang

SK1104013391 Pyongyang Domestic Service in Korean 0100 GMT 11 Apr 91

[Text] The second session of the Ninth Supreme People's Assembly [SPA] of the DPRK opened in the Mansudae Assembly Hall this morning.

The great leader of our party and our people Comrade Kim Il-song, president of the DPRK, attended the session.

The SPA deputies attended the session. Present at the session as observers were functionaries of the party and government organizations, economic and administration organizations, public organizations, generals of the Korean People's Army [KPA], and functionaries from domains of science, education, culture, art, public health, publication, and press.

Functionaries of the General Association of Korean Residents in Japan [Chongnyon] who are staying in the socialist fatherland also attended the session as observers.

Invited to the session were diplomatic representatives of foreign countries to our country.

The session adopted the following agenda items:

1. On summing up the execution of the state budget of the DPRK in 1990 and on the state budget of 1991.

2. On approving laws which were reviewed and decided on by the SPA Standing Committee during the period of recess of the SPA.

The session began to discuss the first agenda item.

The session continues.

Kim Il-song, Officials Attend

SK1104045491 Pyongyang KCNA in English 0415 GMT 11 Apr 91

[Text] Pyongyang April 11 (KCNA)—The second session of the Ninth Supreme People's Assembly (SPA) of the Democratic People's Republic of Korea opened at the Mansudae Assembly Hall today.

It is attended by deputies to the SPA.

Present as observers are officials of party and power bodies, administrative and economic organs and social organizations, men of science, education, culture and art, public health and the press and officials of the General Association of Korean Residents in Japan (Chongnyon) on a visit to the socialist homeland.

Foreign diplomatic envoys here are also present on invitation.

The great leader of our party and our people Comrade Kim Il-song, president of the Democratic People's Republic of Korea, appeared on the platform.

The platform is taken by Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK]; O Chin-u, member of the Presidium of the Political Bureau of the C.C., WPK, and minister of People's Armed Forces; Yi Chong-ok and Pak Song- chol, members of the Political Bureau of the C.C., WPK, and vice- presidents; members of the Political Bureau of the C.C., WPK—Yon Hyong-muk, premier of the Administration Council, Kim Yong-nam, vice-premier of the Administration Council, Kye Ung-tae and Chon Pyong-ho, secretaries of the party Central Committee, Choe Kwang, chief of the general staff of the Korean People's Army, Kang Song- san, chief secretary of the North Hamgyong Provincial party committee and chairman of the North Hamgyong Provinccial People's Committee, and So Yun-sok, chief secretary of the South Pyongan Provincial party committee and chairman of the South Pyongan Provincial People's Committee; alternate members of the Political Bureau of the C.C., WPK—Hyon Mu-kwang, chairman of the Control Committee of the party Central Committee, Choe Tae-bok, secretary of the party Central Committee, Choe Yong-nim and Hong Song-nam, vice- premiers of the Administration Council; Kim Chol-man, alternate member of the Political Bureau of the C.C., WPK; Kim Pok-sin, Kang Hui-won and Hong Si-hak, alternate members of the Political Bureau of the C.C., WPK and vice-premiers of the Administration Council; Yi Kye-pack, chairman of the Central Committee of the Korean Social Democratic Party; Chong Sin-hyok, chairman of the Central Committee of the Chondoist Chongu Party; members of the Central People's Committee and members of the Standing Committee of the Supreme People's Assembly.

The platform party also includes Deputy Han Tok-su, chairman of the Central Standing Committee of Chongnyon.

Following agenda items were adopted at the session:

1. On the results of the fulfilment of the state budget for 1990 and the state budget for 1991 of the Democratic People's Republic of Korea.

2. On approving laws discussed and decided upon by the Standing Committee of the SPA during its recess.

Deputy Yun Ki-chong, minister of finance, delivered a report on the first item.

Deputy Pak Nam-ki, chairman of the Budget Committee of the SPA, made a report of the Budget Committee on the results of the fulfilment of the state budget for 1990 and on the state budget for 1991 of the DPRK.

A debate on the first item took place.

The speakers said the state budget for 1990 was fulfilled correctly to contribute to accelerating the socialist economic and cultural construction, increasing the might of the country and promoting the material and cultural welfare of the people.

They expressed full support to the state budget for 1991, saying it has been compiled so correctly as to firmly back the efforts of our people financially to bring the advantages of our socialism into full play.

The session continues.

Yang Hyong-sop Gives Speech

SK1204034991 Pyongyang Domestic Service in Korean 0300 GMT 11 Apr 91

[Opening address by Yang Hyong-sop, chairman of the Standing Committee of the Supreme People's Assembly [SPA], at the Second Session of Ninth SPA held at Mansudae Assembly Hall in Pyongyang on 11 April—recorded]

[Text] Comrade deputies: Today, when all the working people across the country are vigorously accelerating the great socialist march movement for the 1990's upholding the militant task put forth by the great leader Comrade Kim Il-song in his New Year's address and the party's call, we begin the Second Session of the Ninth SPA [Supreme People's Assembly].

The great leader Comrade Kim Il-song, in his historic policy speech at the First Session of the Ninth SPA last year, ...ofoundly set forth the characteristics and fundamental superiority of the socialism of our country, the man-centered socialism, gave a scientific elucidation of the ideological and theoretical problems arising in comprehensively exalting its indestructible might, presented new resplendent prospects of socialist construction to the Government of the Republic and our people, and clearly set forth the tasks and methods to carry them out. [applause]

Our people, receiving the policy speech of the great leader Comrade Kim Il-song, struggled more vigorously with firm faith in the justness of the socialist cause and victory under the party's leadership and attained brilliant success in all domains of socialist construction. The wholehearted unity among the leader, the party, and the masses has been solidified as firm as a rock, the might of the self-reliant national economy of the socialism of our country has been strengthened even more, and new progress has been made in many fields of socialist cultural construction. [applause]

All the fellow countrymen in the North, South, and overseas, exceedingly encouraged by the just fatherland reunification plan of the Government of the Republic, launched themselves into the struggle to achieve the reunification of the country at an early date with the united strength of the nation, opening a new chapter in the history of the fatherland reunification movement and powerfully demonstrating our nation's high volition for reunification to the entire world. [applause]

The shining successes attained in the revolutionary struggle and construction work and our party's independent and peace-loving external policy further enhanced the international position of the Republic, further strengthening the solidarity with our people in their cause of fatherland reunification. The shining successes attained in the revolution and construction by our people who are firmly united around the party and the leader are powerful proof of the justness and vitality of the great chuche idea and our party's policies which are its embodiment. [applause]

Under the wise leadership of the Workers' Party of Korea headed by the respected and beloved Comrade Kim Il-song and the Government of the Republic, our people are now waging a vigorous struggle to achieve the complete victory of socialism in the northern half of the Republic and to realize fatherland reunification with great national pride in living and carrying out the revolution in the most superior socialist society with the chajusong of the popular masses thoroughly ensured, and with confidence and optimism overflowing. The Second Session of the Ninth SPA, held at a time like this, will discuss the problems of important significance in the work for the socialist construction of our country and for the improvement of the people's welfare, thereby contributing greatly to the acceleration of our revolutionary cause. [applause]

Six-hundred and fifty-six deputies out of 682 deputies participated in the Second Session of the Ninth SPA. With conviction that the entire SPA will smoothly discuss and decide on the agenda items with the active participation of the comrade deputies, I declare the Second Session of the Ninth SPA open according to Article 78, Chapter 5 of the DPRK Socialist Constitution. [applause]

Finance Minister Gives Speech

SK1204022691 Pyongyang Domestic Service in Korean 0310 GMT 11 Apr 91

[Report by Finance Minister Yun Ki-chong on the agenda item "Summarizing the Execution of the DPRK State Budget for 1990 and the State Budget for 1991," at the second session of the Ninth Supreme People's Assembly [SPA] on 11 April at Mansudae Assembly Hall in Pyongyang—recorded]

[Text] Comrade deputies: Today all the people across the country, rising as one, are vigorously accelerating socialist construction by upholding the militant tasks put forward by the great leader Comrade Kim Il-song in his New Year address this year, and are carrying out a nationwide struggle to achieve the independent and peaceful reunification of the nation. Under this solemn circumstance, we are to discuss the results of the execution of last year's state budget as well as this year's state budget.

Following our party's appeal for effecting a new revolutionary upsurge in socialist construction, our working class and all workers in the battlefields of socialist construction—including ore mines in Musan, underground mine galleries in Komdok, and the construction sites of Tongil Street in the capital—are carrying out the heroic struggle by cherishing endless loyalty to the party and to the leader. Thus, they are effecting new innovations one after another and demonstrating brilliant labor exploits.

Being boundlessly encouraged by fair peace proposals and the plan of national reunification of the government of the republic, all fellow countrymen in the North, the South, and overseas are looking at the day of national reunification with deeper conviction. They have risen in the struggle to achieve the unity of the people and the reunification of the nation at an early date.

Upholding the banner of socialism—the revolutionary banner of chuche—we should more highly demonstrate the superiority of socialism in our country and produce a further movement of the nation on the path to reunification by successfully executing this year's national economic plan and state budget.

Now, by the authorization of the government of the republic, I will report on the summation of the execution of the state budget for 1990 and the state budget for 1991.

Comrade deputies, the year 1990 was a glorious one filled with felicitous events which are of great significance in our people's political life. It was a victorious and proud year during which all the people registered brilliant exploits in socialist construction by vigorously struggling and upholding the banner of the chuche idea. [applause]

The great leader Comrade Kim Il-song has taught: The year 1990 was a victorious and proud year during which our people vigorously advanced by upholding the banner of socialism in the midst of the violent flow of history.

Last year, we successfully held the historic election of deputies to the Ninth SPA [Supreme People's Assembly], and invariably and respectfully elected the respected leader Comrade Kim Il-song to the presidency of the Republic, reflecting the unanimous desire and iron-clad will of our people. The respected leader Comrade Kim Il-song dedicated his whole life to the sacred cause for the nation and for the people after embarking on the road of revolution at an early date, and he made immortal achievements for the age and for the revolution. We splendidly commemorated the 45th anniversary of the founding of the Workers' Party of Korea [WPK], the organizer and guide of all victories of our people. [applause]

Through the elections of deputies to the Ninth SPA, and through the celebrations to mark the 45th anniversary of the founding of the WPK, we once again strongly demonstrated to the world the might of wholehearted unity with which all the people are firmly united around the leader and the party, and the indestructible authority and dignity of our party and our republic. [applause]

Last year, the sincere efforts of the government of the republic, as well as the struggle of patriotic reunification forces in the North, South, and overseas, brought forth the convocation of the historic 15 August pannational congress; various reunification festivals, to the joy of the entire nation; and in particular the formation of the Pan-National Alliance for Reunification, thereby strengthening the independent force for fatherland reunification and bringing about great progress in expanding and developing the reunification movement.

Last year, our heroic working class and all working people across the country waged a vigorous struggle toward the programmatic plan set forth by the great leader Comrade Kim Il-song at the 17th Plenary Meeting of the 6th WPK Central Committee. They also created a new upswing in socialist construction, thereby adding luster to the first year of the 1990's with a proud victory, as well as highly demonstrating the chuche nature and vitality of the socialism of our country. [applause]

Following the militant appeal of our party, major construction projects were vigorously pushed ahead and new production upsurges came about amid both the great blaze of the produce-more/save-more struggle and the great socialist march movement, both of which were conducted as a campaign of the masses in all sectors of the people's economy. As a result, the state budget last year was executed successfully. [applause]

Total state budgetary revenue last year was 35,690,410,000 won, which is a 1 percent overfulfillment of the plan.

With the struggle to add luster to the existing economic base through increased production and saving, to thoroughly mobilize the inner reserves of the people's economy, and to increase the sources of financial revenue, total state budgetary revenues increased by 6.2 percent over 1989, of which the revenue from turnover increased by 7.4 percent and the revenue from profit on state-run enterprises by 7.2 percent.

Total state budgetary expenditures from last year's state budget were 35,513,480,000 won, which is a 99.6 percent fulfillment of the plan and an increase of 6.4 percent over 1989. Last year's state budget was successfully settled with a surplus of 176.93 million won, even after having smoothly ensured a huge amount of the funds necessary by the state for the implementation of the tasks of socialist economic and cultural construction, after raising the people's living standard, and after strengthening the might of the country. [applause]

The local budget system, which the great leader put forth from his original idea, was successfully implemented. The revenue from the local budget increased considerably last year, contributing large funds totalling 855.42 million won to the central budget even after local areas sufficiently supplied the funds necessary for the operation of the local institutions with their own revenue.

The successful execution of last year's state budget is based on the strong base of the self-reliant socialist national economy and clearly demonstrates the solidity of the finances of our country, which is continuously growing, and the justness of the financial policy of our party. [applause]

Based on the basic tasks for the people's economic development plan for 1990, as well as on the correct financial policy put forth by our party and the government of the republic, state budgetary funds for last year were precisely expended for the various sectors of socialist construction.

Last year, the DPRK Government increased the expenditure of funds to the people's economy by 6.6 percent over that of 1989, of which state investments in the state's capital construction [kibon konsol] was 7.2 percent. It further powerfully pushed ahead with the construction of major projects for the expansion and reinforcement of the key industrial domains, for large-scale reworking of nature for irrigation, and for housing construction for the people.

According to our party's policy of giving priority to the power and mining industry and to the further development of the metal industry, the state budget last year increased the investment in these sectors by 8.1 percent over the previous year so that the construction of power plants, coal mines, mines, and metallurgical bases could be pushed ahead vigorously.

Last year, thanks to the devoted labor struggle of power plant builders who are endlessly loyal to the party, the construction of the Wiwon Power Plant and the Yesonggang Power Plant No. 5 was completed; and the construction of the Namgang Power Plant, the December Thermal Power Plant, the East Pyongyang Thermal Power Plant, and other large hydraulic and thermal power plants were vigorously pushed ahead. This, together with the construction of many additional small and medium-size hydraulic power plants, expanded and strengthened the country's energy base.

Last year, the state budget allocated a huge fund to the mining industrial sector, 9 percent more than in 1989. Thanks to the high revolutionary zeal of the working class and mining industrial sector builders as well as the production capacity expansion projects of Anju District Coal Mining Complex, the Musan Mining Complex, the Komdok Mining Complex, and the Taehung Youth General Mining Enterprise, the reconstruction and expansion of the mines in Yanggang Province was pushed ahead vigorously and the vertical shafts of the Hamnyon Coal Mine, Changpung Mine, and Sangnong Mine, as well as the coal mines, mines, and pits of the Chaeryong Mine and Hongchon Mining District, went into operation. The technology and equipment of the coal mines and other mines were further strengthened.

In the metal industrial sector, the construction of the new melting furnaces of the Kim Chaek Iron and Steel Complex as well as the construction of the 9 October Steel Works were pushed ahead vigorously; the production process of oxidative sintered ball ores of the Chongjin Steel Works was completed; and the production processes of the iron and steel works were augmented, thereby further strengthening the steel production base.

Last year, the government of the republic made considerable efforts to develop the machine industry and the electronic and automation industry, therefore the capacity expansion projects of machine-building plants—such as the machine tool plant and the mining equipment plant—and the construction of new production bases of electronic products and materials were successfully pushed ahead. The Korean Computer Center, equipped with ultra-modern facilities which will contribute greatly to the acceleration of the modernization and scientization of the people's economy, was completed excellently.

Last year's state budget allocated a huge investment, which was increased by 6.5 percent over the previous year, to the expanding and strengthening of the chemical industrial base.

A collective innovation was aroused by our heroic soldiers of the People's Army and construction workers; thus, last year they achieved the brilliant feat of rapidly promoting the construction of the Sariwon Potash Fertilizer Complex, which is another monumental creation of the era of the WPK. They finished the construction of the No. 1 calcinator and magnificently completed the construction of large-scale structures at various plants. Also, they finished the second stage of construction at the Sunchon Vinalon Complex and vigorously accelerated the expansion of chemical fiber and chemical fertilizer production at extant plants.

Therefore, according to the nation's enormous investment, various large-scale construction projects, such as in the key heavy industry bases of the power industry, the extraction industry, and the metal industry, were achieved successfully last year so that they could be expanded and strengthened. Therefore, it was possible for our chuche-type industry to further manifest great might and a firmer basis for successfully realizing the high goal set for the Third Seven-Year Plan. [applause]

Last year, in order to give priority to transportation for facilitating the endlessly increasing production, the Government of the Republic transferred much money to this field.

By highly manifesting the revolutionary spirit of Paektu and the revolutionary spirit of self-reliance, in just a short time, our railway construction workers completed the 200 ri of railway electrification on the Wiyon-Motga and Taegon-Pongchang-Hallyong sections, vigorously accelerated the construction of new railways, and actively laid heavy rails, thus greatly increasing the railway transportation capacity.

In land transportation, according to the devoted struggle of the courageous soldiers of the People's Army, the construction of the Pyongyang-Kaesong and Pyongyang-Huichon expressways progressed successfully .

Last year the rural economy and light industry were developed, and great results were achieved in constructing houses.

Last year, the Government of the Republic realized the technological revolutionary task for agriculture that was presented in the socialist agricultural thesis. In order to further strengthen the basis for agricultural production, the state invested 106 percent more funds over last year's figure in the rural economy.

Our agricultural workers and soldiers of the People's Army, including the volunteers who are endlessly loyal to the party, must highly display the revolutionary spirit of self-reliance and fortitude and collective heroism so that the 2,000-ri waterway can be constructed in a short time, thus linking the Taedong and Yesong Rivers and the Amnok and Taeryong Rivers into a large irrigation network. Therefore, in all paddy fields and dry fields of the western district granary, large-scale reworking of nature projects for allowing irrigation facilities were completed brilliantly. [applause]

By constructing the 2,000-ri waterway, a strong agricultural production basis to produce a bumper crop was achieved no matter how severe a drought. This allowed irrigation projects, which are a priority in the task of the technological revolution in agriculture, to be further completed. Our country was changed into a nation of irrigation, which is worth boasting about in the world.

This great success, which constitutes a noteworthy event in the history of the introduction of the irrigation system, is the brilliant victory of the socialist rural theses set forth by the great leader Comrade Kim Il-song and constitutes a great demonstration of our people's boundless creative strength and our fatherland's might. [applasue]

Various types of modern farm machines, as well as various kinds of chemical fertilizers and agricultural chemicals, were sufficiently supplied to rural areas last year thanks to the mighty support from chuche industries. As a result, great success was attained in realizing the comprehensive mechanization and chemicalization of the rural economy.

Last year, by increasing investments in the light industry sector in order to implement the party's policy of thoroughly carrying out the revolution in this sector, the state further modernized light industry plants—including the existing textile plants and foodstuffs plants—and expanded and strengthened the raw material bases of light industry, thus consolidating more firmly the foundation for the production of people's consumer goods.

The Government of the Republic earmarked 5 percent more funds last year than the previous one in order to build more dwellings and to strengthen urban management work. Builders in Pyongyang and soldiers of the People's Army, who rose up in the construction of Tongil Street, have performed the proud labor exploit of building modern high-rise apartment houses for 30,000 families by struggling vigorously and following our party's grand plan to completely solve the people's housing problem in the near future. [applause]

These great successes, registered in the unprecedentedly awesome construction of the capital city, are not only the brilliant embodiment of the benevolent measures of our party, which has defined the promotion of the people's welfare as the supreme goal of its activity, but are also the noble fruition of the heroic struggle of our people who are upholding the lofty will of the party with loyalty. [applause]

Last year, the state made large appropriations for social and cultural measures which were 6 percent greater than those of the previous year. They also disbursed large funds for popular measures with a view to accelerating socialist cultural construction and promoting the welfare of the working people. The Government of the Republic increased expenditures for education by 4.8 percent last year over the previous one, with a view to fulfilling the tasks set forth in our party's socialist education theses. The Government of the Republic also founded and built more new colleges and more properly built education facilities and institutions, including buildings for schools of all levels, thus further strengthening the material and technological foundation of education.

In order to protect and promote the people's health, the state budget earmarked spendings for public health work which increased by 5.2 percent last year over 1989. Thus, the people were granted more medical benefits.

Our party and the Government of the Republic have completely abolished the taxation system for the first time anywhere in the world. Without collecting even a penny from the people, our party and the Government of the Republic, with the funds provided by the state and society, have looked after all children being fostered at nurseries and kindergartens. They have also looked after those children who reach school age, giving them the benefits of the 11- year compulsory education system which needs no money at all. Last year, the state made large appropriations for these policies alone.

In our country, where the universal and completely free medical care system has been enforced for a long time, the state pays medical consultation fees, doctor's house-call charges, out-patient treatment charges, charges for surgical operations, charges for medicine, charges for hospitalization, and charges for meals provided during hospitalization. The funds earmarked by the state last year for the enforcement of this free medical system reached several hundred million won.

The state increased the expenditure for the development of science and technology last year much more than the previous one. Our revolutionary intellectuals and working class members who have been fostered in the benevolent bosom of the party into scientists, technicians, and specialists last year presented as many as 60,000 inventions, suggestions for technological innovation, creative designs, and suggestions for rationalization by their devoted struggle with lofty pride and a sense of responsibility as the masters of socialist construction.

Thus, they greatly contributed to accelerating the economic construction of the country.

Last year, the Government of the Republic increased the expenditure for cultural and athletic works, thereby financially guaranteeing the development of chuche-based literature, art, and athletics.

In particular, the Government of the Republic more properly built up the revolutionary battle sites and revolutionary historical sites around Mt. Packtu, including the secret camp of Mt. Hamback, as the stronghold for indoctrinating the glorious revolutionary tradition of our party. The Government of the Republic also rehabilitated the Kwangboksa of Mt. Taesong, which is very important in preserving the national cultural property of the nation. In addition, the Government of the Republic built up more beautifully Mt. Taesong as the resort place of the people. As a result, working people can more pleasantly enjoy their culture and their rest.

Thanks to the deep consideration of the respected and beloved leader and of our party, last year our people received more additional benefits from the state through various people-minded and communist policies than they had received in the previous year. Today in our country, the state buys provisions from peasants at high prices and provides them to workers and officials at a very low price, which is as good as free. Through such a policy, our workers and officials have received great benefits from the state every year.

In our country, a free education system and a free health-care system have been developed. In addition, out of the state budget the state has built nice dwellings for workers, officials, and even for peasants. Electricity, piped water, and even fuel have been provided at a very low price.

In addition, through various people-minded policies made by the party and state, our people have received many additional benefits.

It is inevitable in a capitalist society that the rich get richer and the poor get poorer. The popular working masses cannot enjoy a stable life, and thus the great majority of the working people cannot free themselves from anxieties over unemployment, life, and the threat of poverty.

However, in our country's socialist system all working people can equitably enjoy a good life without anxieties over employment, food, clothing, housing, children's education, and health care. In addition, the state firmly guarantees a stable life for the people. This clearly shows the matchless superiority and might of the man-centered socialism of our own style, in which the state entirely takes responsibility for the life of the people and devotes everything to their weal. [applause]

Last year, the Government of the Republic allocated 12 percent of the total expenditure of the state budget in order to thoroughly carry out the self-defending military line of our party and to firmly defend the gains of the revolution and the security of the people.

Last year's state budget has financially guaranteed the realization of the party's and the state's general people-minded policies which are aimed at constructing the socialist economy, at carrying out the task of cultural construction, and at promoting the weal of the people. Thus, the government of the Republic has greatly contributed to strengthening the superiority of the country, to raising the living standard of the people, and to highly displaying the superiority of our country's socialism. [applause]

Under our country's socialism, in which the immortal chuche idea has been embodied, the budget becomes a genuine people's budget which financially guarantees the firm independent and creative life of the popular masses. Our country's socialist budget entirely serves the people. In addition, it is based on the independent and creative labor of the popular working masses.

With top priority given to the demand and interests of the popular working masses, our party and the Government of the Republic have always settled an issue concerning the budget in a way which inspires the awakened enthusiasm and creativity of the popular working masses.

The solid and true superiority of our country's socialist finance lies in the fact that it relies on the creative labor of the popular masses, that it uses the money brought in by people only for the people, and that it serves the people only to promote their welfare. [applause]

All the successes attained last year in socialist construction and in executing the state budget are the noble fruition brought by the great leader Comrade Kim Il-song who has brilliantly illuminated our path with the immortal chuche idea, and brought by our party which has guided the revolution and construction on the revolutionary road leading to victory, giving full play to the superiority of our country's socialist finance under the guidance of our party. [applause]

Comrade deputies: This year we are faced with the honorable task of giving full play to the superiority of our country's socialist finance by producing an endless upsurge in all fronts of socialist construction under the banner of the chuche idea.

The great leader Comrade Kim Il-song has taught: The major tasks we face in this year's socialist economic construction are to attain a high and steady rate of production by keeping those economic sectors which must lead the other sectors well ahead of the latter, to make effective use of the economic foundations that have already been laid, and to raise further the level of the people's material and cultural standards to meet the requirement of socialism.

The state budget for 1991 has been compiled realistically and in a way that can be mobilized so as to financially support our people in their struggle to produce a new upsurge in socialist construction, upholding this year's militant tasks raised by the great leader Comrade Kim Il-song. [applause]

The revenues and the expenditures of the state budget for 1991 are set at 37,120,600,000 won each, or 4 percent higher in revenue and 4.5 percent higher in expenditure than last year.

To systematically increase the revenues of the state budget in a way that corresponds to the popular nature of our country's state budget is our party's consistent policy.

The state budget this year has been compiled with a view toward rapidly increasing the budgetary revenues based on the inexhaustible creativity of our people who have risen up in the great march toward socialism, on the enormous potential of the self-reliant socialist national economy in our country, and on the basis of raising the people's standard of living.

By strengthening the produce-more/save-more struggle in all sectors of the national economy; by producing a new upsurge in production through an effective use of the economic foundations that have already been laid; and by increasing the internal savings, the turnover levies, and the profits of state-run enterprise, the main source of budgetary revenue will increase 5.5 percent and 5.1 percent respectively.

This year, the Government of the Republic is expected to spend more state funds on areas of socialist construction in proportion to the increase in budgetary revenues of the state budget.

It is a consistent policy of our party and the Government of the Republic to give priority to the allocation of funds to the national economy—part of the expenditure coming out of the state budget—in order to solidify the foundations of the self-reliant socialist national economy and to strengthen the country's economic might.

This year, the state budget will increase the allocation of funds to the national economy by 4.6 percent above last year and will allot a greater part of it to the major construction projects which are of key importance in strengthening the production and technical foundations of key industries and in attaining the major objectives of the Third Seven-Year Plan.

To rapidly develop the areas of the national economy that lead to other areas getting well ahead of the latter is both an important call to strengthen the might of the self-reliant socialist national economy as well as the key to normalizing production at a high level.

This year the state will increase capital construction funds in the mining and power industries by 6.5 percent above last year and will extensively build coal and ore mines and power stations to keep them definitely ahead of other sectors.

The mining industrial sector will vigorously carry out an expansion in construction in the existing coal and ore mines such as the Anju District Coal Mining Complex, Musan Mining Complex, and Komdok Mining Complex. It will also carry out the construction of new coal and ore mines and will rapidly increase the production capabilities in coal, iron ore, and non-ferrous metals by further strengthening the technology and equipment of the coal and ore mines.

This year the electric sector will accelerate the construction of large-scale hydrologic and thermal power stations that are now under construction such as Nungwon, Namgang, and Kumyagang power stations; the East Pyongyang Thermal Power Station; and the December Thermal Power Station. It will build new thermal power stations at the Tanchon power station—one of the few major power stations in our country—and in the Haeju, Hamhung, and Kim Chaek districts to generate power, and will build central heating systems in those cities. It will also build a large number of small and medium-size hydrologic power stations in various corners of the country.

The working class and construction workers of the industrial mining and electric sectors will open wide the door to the great march toward socialism by fulfilling the vast tasks our party has presented to the industrial mining and electric sectors and by displaying their patriotic devotion, mass heroism, and production targets without deviation. [applause]

This year the state budget envisions large investments in the metal, engineering, electronic, and automation industries and a marked investment increase in the chemical industry as against last year.

In the metal industry, the existing iron and steel mills will be reinforced and perfected to increase the production capabilities, and the construction of the 9 October General Steel Works will be stepped up.

In the engineering, electronic, and automation industries, projects for expanding the capabilities of machinery plants—including machine-tool factories, mining equipment factories, and farm machine factories—and the ongoing construction of bases of electronic production will be promoted this year to raise the level of the national economy's technical equipment and to consolidate the foundations for accelerating the comprehensive mechanization, automation, computerization, and robotization of production.

This year, the state will concentrate great efforts on the construction of the Sariwon Potash Fertilizer Complex, a project significant in developing the national economy—including the rural economy—as a whole; on raising the

people's standard of living, and on continuously stepping up the second-stage construction of the Sunchon Vinalon Complex.

At the same time, the state will undertake projects for reinforcing the Hungnam Fertilizer Complex with updated and large-scale equipment and for reconstructing the 8 February Vinalon Complex on an expanded basis. It will also carry out the construction of the production bases of basic chemicals on an extensive scale so as to accelerate the cause of making the chemical industry chuche-oriented and to bring its sectoral structure to perfection, and eventually to bring epoch-making changes in the development of the chemical industry.

The state budget this year envisages a 6.2 percent investment increase in transport above last year to rapidly develop the sector.

This year, the state will promote the switch to electric traction on railway lines, including the ones between (?Tone) and (?Yugok) and between South Sinuiju and (?Tokchon), in order to keep that sector definitely ahead of other sectors; will complete the work of improving the railway lines between Haeju and Ongjin, and between (?Singangyong) and Kupo; and will energetically accelerate the introduction of heavy-duty railway tracks by increasing the production of (?8-shaft) electric locomotives and 100-ton freight cars.

At the same time, the state will increase the transport capabilities of automobiles and ships, and will more satisfactorily meet the rapidly increasing demand for transport by strengthening coordinated transport by train, automobile, and ship.

To endlessly raise the people's standard of living is the highest principle in our party's activity and an important mission of the people's government.

The Government of the Republic will develop agriculture and light industry in order to raise the standards of the people's material and cultural living to that which is equivalent to the most valuable and rewarding political life, and sound and affluent cultural life, that our people enjoy this year. It will also concentrate great effort on building dwellings.

The state will increase its investment in the rural-economy sector to 105.6 percent of that of last year, thus further strengthening the materialistic basis of the rural economy, and vigorously waging a struggle to increase the production of agricultural commodities, including grain and vegetables.

The great leader Comrade Kim Il-song has said that, under circumstances in which the irrigation system has been completed on a higher level in our country, the fertility of arable paddies must be increased to speedily increase agricultural production. He also presented a militant task on waging a movement to relocate soil on a popular basis. Relocating soil in all rice and dry paddies is another large-scale nature reworking project designed to turn the paddies of our country—a country where the people have farmed for generation after generation—into fertile paddies, thus bringing a new turnover in agricultural production. [applause]

All agricultural workers and volunteers who have unanimously come out in hearty response to the far-reaching plan of the great leader, and to the party's calls, have scored a feat of labor by completing the tilling of corn fields across the country a mere three to four months since last December; they did this by displaying a spirit of self-reliance and fortitude. These miraculous achievements—in which the entire party, the entire Army, and all the people tilled all the corn fields across the country—are an epochal event that shows the boundless loyalty and heroic spirit of our people who unconditionally carry out any task that the party decides on and presents. Also, it is another brilliant victory won in the struggle to implement the socialist rural thesis in our country. [applause]

This year, we will consolidate the achievements made in tilling corn fields; will continuously wage a vigorous struggle to improve the fertility of rice and dry paddies; will increase the supply of chemical fertilizers, pesticides, and various agricultural equipment; will farm scientifically and technologically as demanded by the chuche farming method, thus epochally increasing grain production; and will wage a popular movement to build more greenhouses for vegetables, thus supplying our people with fresh vegetables even in winter.

By being highly loyal to the party and the leader, by assuming the attitude of a master who takes responsibility for the rice jar of the country, and by displaying the boundless spirit of devotion, our agricultural workers must reap bumper crops in the fields of cooperative farms, thus honorably fulfilling the goals of agricultural production presented by the party.

In the light-industry sector this year, a struggle will be vigorously waged to carry out the party's policies of a light industrial revolution, thus accelerating the modernization of light-industry plants and operating all the light-industry plants at full capacity. Also, a movement will be vigorously conducted to produce 3 August people's consumer goods, thus epochally increasing the production of textiles and various other quality people's consumer goods.

This year's state budget foresees an increase of investment in building houses for the people. Thanks to our party's grand design for building the capital, and its warm favors for the people, a big construction project involving the construction of modern houses for 50,000, including those on Tongil Street, and another project involving the construction of a trolley car system, will be vigorously carried out in Pyongyang this year.

When the construction of both the 50,000 households and the trolley car system is completed, as a result of the heroic struggle by our builders and the People's Army

soldiers. Pyongyang will become a grander, more luxurious, and more modern city as well as a cultural city convenient for people to live in, a city where the housing problem has been solved. [applause]

This year we will also build houses on a large scale in Sinuiju, Sunchon, Anju, and other local cities and rural areas to ensure that workers are provided with more modern houses.

This year the Republic's Government will increase the funds for social and cultural measures by 4 percent so as to accelerate the socialist cultural construction and further promote the people's well-being and will increase various kinds of funds for the serve-the-people policy even more.

This year the state will strengthen scientific research projects by increasing scientific, educational, cultural, public health, and cultural and sports work expenses; further raise the quality of education by solidifying the material and technical foundation of education; improve medical service; and develop literature and arts, as well as sports.

This year the state will give our people more benefits through popular and communist policies including the upbringing and education of children, free education and free medical treatment, social insurance, and social security at state expenses.

The great leader, who always pays profound attention to the democratic national education of the Japan-resident compatriots' children, had sent, on 117 occasions, a colossal amount of educational aid and scholarship amounting to 40,825,682,433 yen in the Japanese currency by the end of last year.

This year, too, the Republic's Government will send a large sum of educational aid and scholarships to the Korean children in Japan, reflecting the respected and beloved leader's heart-warming consideration.

The respected and beloved leader's continuous care for them will vigorously prod the Chongnyon to develop democratic national education and greatly encourage the patriotic enterprises of the Japan-resident compatriots who are determined to achieve the prosperity of the socialist fatherland and the independent and peaceful reunification of the fatherland. [applause]

This year the Republic's Government envisions an allocation of 12.3 percent of the total state budgetary expenditures to defense spending to firmly defend our socialist fatherland and the gains of the revolution and safeguard the security of the people.

In this way, the state budget for this year, which is submitted for deliberation in the current SPA session, is an independent and solid budget which firmly guarantees with finance the accomplishment of the vast tasks of the socialist construction in reliance on the creative ingenuity of the popular masses and solid foundations of the independent national economy and chuche-based socialist state budget which will further increase the might of socialism of our own style and give full play to its advantages. [applause]

Comrade deputies: To successfully execute the state budget for this year is an honorable and rewarding task to accelerate the economic construction and effect a new upsurge in socialist construction so as to display the superiority of socialism in our country even higher.

The great leader Comrade Kim Il-song has taught: All the party members and working people should once again dissipate the glory of chuche Korea by effecting a new upsurge in socialist construction, upholding the party's call for them to live and struggle heroically.

To vigorously accelerate socialist construction this year while successfully executing the state budget, we should completely implement the chuche-oriented socialist economic management system proposed by our party, the great Taean work system. [applause]

This year is meaningful as it marks the 30th anniversary of the great leader Comrade Kim Il-song's founding of the Taean work system, thereby opening a new era of the socialist economic management.

The Taean work system is a chuche-oriented economic management form which completely embodies the mass lines and runs and manages the economy scientifically and reasonably under the collective guidance of the party committee. The key to fully mobilizing the creative strength and resourcefulness of the producing masses, to effecting uninterrupted upsurges in socialist economic construction, and to even successfully executing this year's state budget lies in thoroughly implementing the Taean work system. [applause]

We should defend and safeguard the Taean work system and thoroughly implement it so as to bring about new changes in guidance over, and management of, the socialist economy.

It is a basic spirit of the Taean work system to make the production masses fulfill the role and responsibility as masters in enterprise management by strengthening the collective guidance of the party committee and thoroughly embodying the mass line.

All domains and all units of the national economy should strengthen collective guidance of the party committee, and by firmly depending on this guidance, should successfully carry out all economic tasks raised before them.

At the same time, by strengthening the political work and the work with men, all functionaries should deeply mingle with the production masses and encourage them to display the lofty revolutionary zeal and creative activity in production and management as masters of enterprise management.

In order for us to thoroughly implement the Taean work system, we should make enterprise management further scientific and rational by implementing the economic organizational work.

All domains and all units of the national economy should carry out the management activities [kyongyong hwaldong] in a scientific manner based on the correct plans, calculation, and statistics. They should thoroughly implement the party's policy for rationalization of enterprises by correctly utilizing various economic levers in compliance with the transitional nature of the socialist society.

We should see to it that system and order be strictly established in economic management, and planning discipline, labor administration discipline, and production discipline be strengthened. We should also see to it that economic efficiency be promoted in production and construction with priority given to technological development based on correct economic and technological calculation.

In order for us to effect ceaseless upsurges in the socialist economic construction and to successfully carry out this year's gigantic works, we should vigorously wage the struggle for production increase and conservation. [applause]

It is an important demand put forward by our party at present to strengthen the struggle for production increase and conservation. This is a militant task which we should firmly adhere to.

By upholding the decisions of the 17th plenary meeting of the sixth party Central Committee, we should continuously and vigorously wage the struggle for maximum production increase and maximum conservation as an all-mass movement in all domains of the socialist construction.

Production should be normalized at a high level in all domains of the national economy so that production potentials of the existing economic foundation can be highly demonstrated.

We should see to it that all plants and enterprises normalize production at a high level by giving priority to preceding domains of the national economy, by smoothly guaranteeing raw materials, electric power, and transportation and by properly implementing the facility management work.

We should see to it that all domains and all units produce more and build more with existing manpower, existing facilities, and existing materials by fully mobilizing internal reserves, by establishing the system of strict conservation, and by sparingly and effectively using even a small number of manpower, even a unit of facility, and even a gram of material.

The greatest reserves for production increase and conservation at present lie in the vigorous implementation of the technological renovation movement by all domains of the national economy.

All domains and all units should vigorously wage the mass technological renovation movement so that the talents and creativity of the production masses be highly demonstrated, and that more technological renovation plans and rationalization plans are put forward by them. We should see to it that cooperation between scientists and technicians and producers be strengthened, that technology be renovated, and that advanced technological and economic standards be constantly created.

Improving and strengthening the financial management work are two of the most important tasks for successfully executing this year's state budget, and accelerating the socialist economic construction. Finance in the socialist society should be managed and operated in a monolithic manner based on the plan in compliance with the inherent demand of the socialist society.

All domains of the national economy should thoroughly maintain the principle of a monolithic financial management system and the principle of planned management, and should manage finances in a planned manner under the unified guidance and control of the state. We should see to it that all domains of the national economy strengthen financial discipline and further promote controlled functions of socialist finance.

At the same time, we should see to it that plants, enterprises, and localities carry out enterprise management and financial management in a responsible and creative manner with an attitude worthy of masters of the nation's household. They should correctly implement the independent profit system and local budget system, while ensuring the unified guidance of the state so that they give more profits to the state while running the household of their unit frugally.

The system of summing up daily production and finances, which our party created, is our own style of superior system of summing up finances which excellently reflects the great chuche idea and mass line, and is a mass enterprise management method.

All domains, plants and enterprises in the national economy should thoroughly establish and introduce into daily life the system of summing up daily production and finances, and should put it in order. Thus, they should further demonstrate the superiority and vitality of this system.

It is a basic guarantee for successfully accomplishing all revolutionary tasks laid before us this year, and for effecting constant upsurges in socialist construction to vigorously wage the three revolutions—ideological, technological, and cultural—by upholding the banner of the chuche idea. [applause]

Upholding the party's three revolutions line, we should firmly arm ourselves with the chuche idea—our party's

great revolutionary ideology—by giving priority to the ideological revolution above all.

The immortal chuche idea created by the great leader Comrade Kim Il-song is a genuine communist ideology which scientifically expounds the path to emancipating mankind to firmly defend and completely realize the independence of the popular masses for the first time in history. This is the sole guidance idea for our revolution and construction. [applause]

All functionaries and workers should firmly arm themselves with our party's chuche idea, cherishing it as their faith, and thoroughly establish chuche in all domains of social life. They should tenaciously fight to defend and protect the chuche-oriented socialist system. [applause]

We should register constant upsurges in overall socialist construction by vigorously accelerating the technological and cultural revolution while giving priority to the ideological revolution.

The WPK is the organizer and guide of all victories of our people. Without our party's leadership, we cannot think of victory in the socialist and communist cause. [applause]

Upholding our party's leadership and under the militant slogan, "What the party decides, we will do," we should thoroughly accomplish the lines and policies of the party by demonstrating the sense of eternal devotion and loyalty. We should consolidate the political and ideological unity of the entire society with the party and the leader as its center. Thus, we should vigorously accelerate our revolution and construction with the might of unity and cohesion. [applause]

All functionaries in popular government organizations and administration and economic organizations should struggle by dedicating their lives to the benefit and happiness of the people by upholding our party's slogan, "We serve the people!" They should highly demonstrate the revolutionary popular ethos of carrying out all revolutionary tasks by sharing joy, sorrow, and destiny with popular masses and by depending on their strength and wisdom.

Our people are accelerating the vigorous march by upholding the great leadership of the respected leader Comrade Kim Il-song and the WPK in firm unity with the party and the leader, cherishing a firm conviction in the justness of the socialist cause and in its victory, and overflowing with revolutionary optimism. Our people are ever-victorious and indomitable! [applause]

Let us all vigorously fight to expedite the complete victory of socialism and the independent and peaceful reunification of the fatherland, by upholding the revolutionary banner of the chuche idea in firm unity with the WPK Central Committee headed by respected Comrade Kim Il-song, and with the Government of the Republic! [applause]

Family, Civil Laws Adopted 12 Apr

SK1204104391 Pyongyang KCNA in English 1015 GMT 12 Apr 91

["Second-day sitting of second session of Ninth Supreme People's Assembly of DPRK"—KCNA headline]

[Text] Pyongyang April 12 (KCNA)—A debate on "On the Results of the Fulfilment of the State Budget for 1990 and the State Budget for 1991 of the Democratic People's Republic of Korea [DPRK]," the first item on the agenda, continued at the Second Session of the Ninth Supreme People's Assembly [SPA] of the Democratic People's Republic of Korea held here today.

Referring to the successful fulfilment of the state budget for 1990, the speakers expressed full support to the state budget for 1991, saying that it has been compiled so correctly as to bring the advantages of socialism in our country into full play by stepping up socialist construction in conformity with the requirements of the present situation and our developing revolution.

Yang Hyong-sop, chairman of the Supreme People's Assembly, delivered a report on "On Approving Laws Discussed and Decided Upon by the Standing Committee of the SPA During its Recess", the second item, at the session.

The session examined "On the Approval of 'on the Adoption of the Civil Law of the Democratic People's Republic of Korea', a decision of the Standing Committee of the SPA of the DPRK" and "On the Approval of 'On the Adoption of the Family Law of the Democrtic People's Republic of Korea,' a Decision of the Standing Committee of the SPA of the DPRK" and adopted these laws of the DPRK with unanimous approvl.

The session continues.

Plans for Barrages on Taedong River Revealed

SK1204110191 Pyongyang KCNA in English 1003 GMT 12 Apr 91

[Text] Pyongyang April 12 (KCNA)—More than ten barrages will be built in the upper reaches and tributaries of the 450 kilometer long river Taedong which empties into the Korean West Sea.

Over the past ten odd years the West Sea barrage and the Mirim, Ponghwa, Songchon and Sunchon barrages have been built at the estuary and middle reaches of the river.

These barrages are making a great contribution to the development of the nation's agriculture and water transport and profusely paying off in protecting the land.

In 1952, during the Fatherland Liberation War, the great leader President Kim Il-song unfolded a blueprint for building a canal on the river Taedong.

He saw designs of the barrage system of the canal of the river Taedong on several occasions and gave detailed instructions on the position and order of the construction of the barrages.

The West Sea barrage plays a big role in the economic development of the country and improvement of the people's living.

The barrage was built by Korean People's Army soldiers and constructors in five years (1981-1986) with home designs, materials, and technologies at the cost of 4,000 million won.

The barrage consists of three locks and 36 sluice gates and the locks' transit capacity is 72,000 tons.

The water of the river Taedong which has turned into a big artificial reservoir with the construction of the barrage is used to irrigate nearly 200,000 hectares of paddy and nonpaddy fields in the plain areas of South Hwanghae and South Pyongan Provinces, granaries of the country.

The barrages which store billions of cubic metres of water have a high temperature in their basin areas, which provides a favourable condition for farming.

Barrages play a big part also in solving the industrial water and country's transport problems.

Several thousand ton-class cargo ships ply between Nampo Port on the west coast and Sunchon, and the railway built on the dam of the West Sea barrage extending 8 kilometres connects South Hwanghae Province and Nampo Municipality.

The river Taedong which turned into an artificial reservoir has favourable conditions for breeding various fishes.

In the recent ten odd years fish resources have increased nearly ten times.

The barrages of the river Taedong are effective in preventing flood damages.

In summer last year the Pyongyang region had an unusually heavy rainfall, with the result that the river Taedong registered the highest water level in scores of years. But damages could be prevented because the barrages built in a flight-of-stairs style controlled the water level in time under the unified command system.

KCNA Review of 12 Apr Pyongyang Press

SK1204054191 Pyongyang KCNA in English 0443 GMT 12 Apr 91

[Press review]

[Text] Pyongyang April 12 (KCNA)—Dailies here today give prominence to accounts of the second session of the Ninth Supreme People's Assembly (SPA) of the Democratic People's Republic of Korea. An account of the opening ceremony of the session and a photograph of its platform are seen in the press. They carry the report of Yun Ki-chong, minister of finance, at the session on the results of the fulfilment of the state budget for 1990 and the state budget for 1991 and speeches made by several deputies.

NODONG SINMUN informs the readers that President Kim Il-song of the Democratic People's Republic of Korea received a message from President Abdou Diouf of the Republic of Senegal in reply to his message of greetings on the 31st anniversary of the independence of Senegal.

Solidarity letters came to the great leader President Kim Il-song from different countries denouncing the "Team Spirit-91" joint military exercises of the U.S. imperialists and the South Korean authorities and supporting the Korean people's cause of national reunification, says the daily.

Immortal classical works of President Kim Il-song were published in booklet and seminars on his works were held in different countries, reports the daily.

It is reported in the press that functions were held in various countries and foreign publications carried articles on the occasion of the birthday of President Kim Il-song.

In the third part of an article under the fixed title "Immortal Story Conveyed by Mangyongdae" NODONG SINMUN tells a story about the noodle-maker which is preserved with care in the old home where President Kim Il-song was born.

A MINJU CHOSON article tells about the wise leadership of the dear leader Comrade Kim Chong-il to develop the chuche-based pomiculture.

NODONG SINMUN conveys words of South Korean people looking up to President Kim Il-song and Comrade Kim Chong-il as the sun of the nation and the lodestar of reunification.

Under the headline "Pride and Happiness of the Korean People Who Have the Great Leader" the daily echoes voices of foreigners who visited Korea.

Papers report that the Chonghwa smeltery of the Pukdaechon mine and the activated carbon production process of the Tanchon packing materials factory in South Hamgyong Province were commissioned and the tramway project is progressing apace in Pyongyang with a test run at hand.

Carried in the press is a photo-illustrated report about the Ninth April Spring Friendship Art Festival.

A spokesman of the DPRK Foreign Minismry anwered questions put by a KCNA reporter in connection with the fact that the South Korean side recently submitted a "government memorandum" on the question of "U.N. membership" to the U.N. Security Council, says the press.

Carried in papers is a letter sent over radio by the chairman of the Central Committee of the General Federation of Trade Unions of Korea to its counterparts of South Korea in connection with the invitation of South Korean trade union delegates to May Day celebrations to be held in Pyongyang.

Voices are ringing out ever louder among South Korean people calling for demolition of the concrete wall, a symbol of division and confrontation, reports NODONG SINMUN.

Papers report that Comrade Fidel Castro gave on-site inspection of provinces of Cuba, a round-table conversation took place in China on the occasion of the 50th anniversary of the publication of "Let Us Effect a Change in Our Studies", a report of Comrade Mao Zedong, and the Ethiopian president referred to the home and foreign problems.

South Korea

North's Conditions To Resume; Talks Rejected

SK1104123791 Seoul YONHAP in English 1220 GMT 11 Apr 91

[Text] Seoul, April 11 (OANA-YONHAP)—South Korea cannot accept any conditions to resuming inter-Korean premiers' talks and urges North Korea to stop changing its mind about continuing the dialogue, the National Unification Board (NUB) said Thursday.

A statement released by NUB spokesman Choe Pyong-po accused North Korea of irresponsibly accepting and rejecting the talks depending on its political motives and said his government will continue with persistence and sincerity to reopen the dialogue.

The statement follows North Korea's response Wednesday to Seoul's proposal to hold a fourth round of prime ministers' talks next month. Pyongyang enumerated conditions for reopening the dialogue, including adoption of a bilateral non-aggression pact, South-North Korean consultation on U.N. membership, release of jailed dissidents and repeal of South Korea's National Security Law that bans any unauthorized contact with the North.

South Korean Prime Minister No Chae-pong proposed on Monday that the two sides meet in Pyongyang May 22-25. North Korea had broken off the high-level contact scheduled in February to protest annual South Korea-U.S. joint military maneuver "Team Spirit."

"We cannot but express disappointment at North Korea who delayed the fourth round of prime ministers' talks citing Team Spirit and now is trying to avoid the dialogue itself," the statement said.

The conditions set forth by North Korea, the statement claimed, "are nothing but a temporary shield to its usual strategy of using the inter-Korean dialogue as a scheme of aggression against the South."

North Rejects Adding Work Staff to IPU Group

SK1204014191 Seoul YONHAP in English 0117 GMT 12 Apr 91

[Text] Seoul, April 12 (YONHAP)—North Korea has rejected an offer by South Korea to add several working-level officials to the Seoul delegation to a session of the Interparliamentary Union (IPU) opening on April 29 in Pyongyang, a government official said Friday.

In a liaison officers contact Thursday in the conference room of the Neutral Nations' Supervisory Commission at the truce village of Panmunjom, North Korea said it was unable to accept the offer as details of the IPU delegation had already been decided through an exchange of telephone messages and documents.

The two sides agreed to exchange a list of the IPU delegation and a guarantee of personal safety at a liaison officers meeting April 24 at Panmunjom, he said.

The 25-member South Korean delegation will leave for Pyongyang via Panmunjom two days before the opening of the IPU meeting.

North Rejects Invitations to Boy Scout Jamboree

SK1204061291 Seoul YONHAP in English 0555 GMT 12 Apr 91

[Text] Seoul, April 12 (YONHAP)—North Korea refused Friday to accept invitations to the 17th World Scout Jamboree, slated for August in South Korea, saying it had not been given enough notice of their delivery.

The Sports and Youth Ministry, which had said several times it intended to invite North Korean youngsters, officially notified North Korea Thursday that it would hand over the invitations Friday at the truce village of Panmunjom, a senior Ministry official said.

North Korea refused to receive the invitations, saying there was no advance notice, he said.

Vice Sports and Youth Minister Kim Yong-kyun unofficially met with Pak Myong-chol, first vice chairman of Pyongyang's Korean Physical Culture and Sports Guidance Commission and head of the North Korean team in the winter universiad in March in Japan, to ask North Korea to take part in the world jamboree, he said.

Director general of the Sports Ministry's International Sports Bureau, Kim Sa-hung, visited China in March and informally made the South's intention known to the North, he said.

The invitations, signed by Kim Suk-won, chairman of the Korea Boy Scouts and chief of the Ssangyong Business Group, are addressed to Choe Yong-hae, chairman of the North's League of Socialist Working Youth.

Though it appears that North Korea does not intend to take part, the Ministry will remind Pyongyang that the invitation stands right up to the opening of the jamboree, he said.

Daily Welcomes North-South Direct Trade

SK1204010991 Seoul THE KOREA HERALD in English 12 Apr 91 p 8

[Editorial: "Direct Inter-Korean Trade"]

[Text] The green light given to a direct barter trade deal between two South and North Korean firms is most welcome and encouraging. The development is bound to promote and accelerate long overdue economic exchanges between the two parts of the divided Korea.

To begin with simple and practicable business has long been Seoul's policy in its patient search for reduced tension, confidence-building and broad cooperation and accommodation with the North, pending the eventual reunification of the country.

North Korea has continued to balk at the bid on account of its preoccupation with political and ideological objectives, disregarding the benefits to be derived from such joint inter-Korean trade.

Although it was made on a private level, the recent agreement to initiate direct trade is more than symbolic and could lead to removing a number of barriers which inhibit trade and other relations between Seoul and Pyongyang, without futile and confrontational polemics and rhetoric.

According to the National Unification Board announcement, the government gave approval to a contract Chonji Trading Co. of South Korea entered into with North Korea's Kumgangsan International Trade Development Co. to exchange rice for coal and cement.

South Korean rice will be shipped to the North Korean port of Nampo by a third-country vessel which will return to Inchon with North Korean coal and cement. It will be the first direct barter trade transaction between the South and the North since they were divided soon after the end of World War II.

So far, a limited amount of inter-Korean trade has been carried out in a rather covert fashion through the medium of third countries, chiefly Hong Kong and Singapore. The triangular deals were tortuous, costly and time-consuming, besides being unnatural.

It is no secret that South Korea is burdened with a surplus of rice and is capable of supplying many consumer goods, including electronic appliances and automobiles. On the other hand, North Korea is suffering from a severe food shortage, while it possesses an abundance of some other natural resources.

The situation could readily be remedied by open and brisk direct trade between Seoul and Pyongyang. North Korea should join the South in cutting corners to employ Korean ships to transport products. The Korean people hope for governmental involvement in furthering direct trade.

Measures Against Possible Scud Attack Detailed

SK1204070291 Seoul YONHAP in English 0642 GMT 12 Apr 91

[Text] Seoul, April 12 (YONHAP)—South Korea is working on comprehensive measures to "fundamentally block" Scud attacks by North Korea, but war on the peninsula would involve indiscriminate attacks throughout both nations and massive destruction, Lt. Gen. Chon Yong-taek, director of strategy and planning for the joint chiefs of staff, said Friday.

In a breakfast meeting with news editors attended by Defense Minister Yi Chong-ku, Chon said North Korea began producing Scud missiles in 1986 and deployed a Scud regiment on the front line in 1988. They have a range of 300 kilometers, but a newer version that has been successfully launched has a range of 500 kilometers and can hit any target in South Korea.

"The Scuds can be countered by U.S. Patriot missiles but each head costs as much as 119 billion won (164 million U.S. dollars). We are now studying comprehensive measures that will fundamentally block Scud missiles," he said without elaborating.

Yi said war in Korea would be more destructive than the Gulf war.

"A war here will involve indiscriminate attacks throughout the entire territory. As the two sides have almost even combat capability, the war will mean complete destruction and ruins," Yi said.

North Korea, with all its major targets in bunkers, would be difficult to invalidate in the early stages of war, he said.

"North Korea is expected to produce nuclear armaments, though crude, from 1995 or 1996. Our government is demanding North Korea open its nuclear facilities for international inspection and join in world organizations that control nuclear proliferation. Our government is also asking North Korea not to acquire nuclear arms," Yi said.

Korea was divided into capitalist South and communist North in 1945 and the two sides fought a fratricidal war 1950-53.

Yi agreed that the possibility of a North Korean preemptive attack is very low, but cautioned against lowering South Korea's guard.

"We can't reduce the defense expenditure on the ground that the possibility is decreasing," he said.

"It is possible that Kim Il-song may attack the South at any time when he faces his own limits in dealing with the

dissident voices of students and the military elite, domestic economic problems, and the international trend to opening and reconciliation. Even if the possibility is only 1 percent, our armed forces should be thoroughly prepared against it."

Reducing the period of national service had been studied "but we think it is too early to cut it at present," Yi said. "Changes in inter-Korean climate will affect the period."

Korean men must spend 30 months in the military unless they have a physical problem that gets them on the reserve list.

Further on Soviet Envoy's Remarks

SK1204004691 Seoul THE KOREA HERALD in English 12 Apr 91 p 2

[Excerpt] The Soviet Union has informed North Korea of President Mikhail Gorbachev's visit to South Korea planned for April 19, Soviet Amb. Oleg Sokolov said yesterday.

The ambassador also hinted in an interview with Yonhap News Agency that Gorbachev might visit Pyongyang at an appropriate time.

He said President No Tae-u and Gorbachev would exchange views on a wide range of topics including international politics, regional issues and bilateral issues when they meet on Cheju Island. [passage omitted]

Seoul-Moscow Ministers May Meet Separately

SK1204004491 Seoul THE KOREA HERALD in English 12 Apr 91 p 2

[Excerpt] Foreign ministers of South Korea and the Soviet Union will likely discuss bilateral issues, including the question of Korean Air Flight 007, shot down over Sakhalin in 1983, during Soviet President Mikhail Gorbachev's visit to Cheju-to April 19, government officials said yesterday.

Other topics may include Seoul's bid to gain U.N. membership this year.

The officials said it is highly likely that Foreign Minister Yi Sang-ok will hold separate talks with his Soviet counterpart, Aleksander Bessmertnykh, who will accompany Gorbachev on the Soviet leader's trip to Japan and then to Cheju-to.

The Cheju talks will be the first meeting between Yi and Bessmertnykh. Their predecessors, Choe Ho-chung and Eduard Shevardnadze, had talks twice in September and December last year.

"At the Cheju summit, President No Tae-u and Gorbachev are expected to exchange views on situations on the Korean Peninsula and in Northeast Asia in broad terms, rather than discussing concrete bilateral issues," an official said.

"Thus, such issues as the KAL question and our move to enter the United Nations will likely be taken up at the foreign ministers' meeting," he added.

Seoul has recently renewed its call for the Soviet Union to disclose the truth about the KAL incident, which claimed the lives of all 269 people aboard the ill-fated plane.

The move followed reports that the Soviets shot down the plane despite knowing that it was a civilian airliner.

Soviet Deputy Foreign Minister Igor Rogachev, during his visit to Seoul last week, claimed that his government has failed to find new material evidence regarding the incident.

On the U.N. membership question, government officials are hoping that Moscow, one of the five permanent members of the U.N. Security Council, will not veto Seoul's application for U.N. membership.

The officials said there is also the possibility of holding economic ministers' talks between the two countries during the Cheju summit. [passage omitted]

Seoul Declines To Discuss Soviet Proposal

SK1204074191 Seoul YONHAP in English 0657 GMT 12 Apr 91

[Text] Seoul, April 12 (OANA-YONHAP)—South Korean Foreign Minister Yi Sang-ok said Friday it was too soon to discuss a collective security system for the Asia-Pacific region as proposed by the Soviet Union.

"Soviet President Mikhail Gorbachev reportedly will make a new proposal about Asia-Pacific security when he visits Japan, but it is the Korean Government's position that the time to discuss it has not ripened yet due to regional problems in Korea and in Cambodia," Yi said in a regular press conference.

This is the first official Korean statement on Gorbachev's likely proposal during his summit in Japan. The Soviet leader is also scheduled to visit Korea for a meeting with President No Tae-u next week on his way back to home from Tokyo.

Seoul's proposal in 1988 for a Southeast Asian peace consultative body "is quite different from the Asia-Pacific collective security system from its very concept for it was focused on solving the problems on the Korean peninsula," he said.

"(The Soviet proposal) can be promoted as a medium- and long-term regional peace plan when inter-Korean dialogue and relationships improve."

Yi's statement implies the possibility of proposing a six-way summit of South and North Korea, the United States, Japan, China and the Soviet Union when the climate around the Korean peninsula comes to maturity.

Such a proposal would not be new as Igor Rogachev, the Soviet deputy foreign minister, called for "specific Asian or Pacific methods of dealing with security and cooperation issues" in a U.N. conference in Seoul last week.

Yi said that he would have talks with Soviet Foreign Minister Aleksander Bessmertnykh and ask for clearer support for Korea's U.N. membership during the Korea-Soviet summit on Cheju Island April 19.

"The Soviet Union should make it clear that it supports our entry into the world body, for the Soviet Union has emphasized the universality of the U.N. membership," he said.

He said the overall picture of the international scene after the Gulf war would be discussed together with the question of Korea's U.N. entry and the downing of Korean Air Flight 007 in 1983.

Chondaehyop on Oposition to Gorbachev Visit

SK1204071291 Seoul HANGYORE SINMUN in Korean 12 Apr 91 p 15

[Text] The National Council of University Student Representatives [Chondaehyop] expressed its position to oppose the visit of Soviet President Gorbachev to the ROK.

Ho Tong-chun (24, president of General Student Association of Chungang University), Chondaehyop spokesman, said that the visit of President Gorbachev to the ROK was discussed during the congress attended by the fifth-term Chondaehyop deputies which was held in the Centennial Memorial Hall at Yonsei University on the morning of 11 April, and that the congress concluded, "Gorbachev's visit is designed to get rid of his nation's economic difficulties by expanding economic cooperation and his visit will help the northern policy of the United States and the No Tae-u regime, which will perpetuate division."

Spokesman Ho added, "On 19 April, when President Gorbachev visits the ROK, Chondaehyop will wage a struggle to denounce his visit through commemorative events marking the anniversary of the 19 April student uprising. The events will be held simultaneously and in many forms all across the country."

In its congress that day, Chondaehyop decided to actively wage an anti-Democratic Liberal Party struggle during the large-unit local council elections and to participate in the elections in such a way as to support "democratic candidates" from the camp of nationalist and democratic movements.

Japanese Negotiator in DPRK Talks Visits

SK1104085891 Seoul YONHAP in English 0837 GMT 11 Apr 91

[Text] Seoul, April 11 (YONHAP)—Japanese Ambassador-at-large Noboru Nakahira, chief negotiator in normalization talks between North Korea and Japan, said Thursday his government felt deeply the negotiations should not have an adverse effect on relations between South Korea and Japan.

"Inspection of North Korean nuclear facilities should be dealt with in such a manner as to contribute to peace and stability in Northeast Asia since it is not a problem only between North Korea and Japan," he told Korean Foreign Minister Yi Sang-ok during a courtesy call. Nakahira arrived here Wednesday but the purpose of his visit was unknown.

He said he felt that, during the course of negotiations, the North Koreans had tried to avoid mention of the "one-Korea" question, according to a senior ministry official at the meeting.

The official quoted Nakahira as saying, "I got the impression from the North Korean negotiators that they were instructed by higher authorities to bring the early establishment of diplomatic relations between the two nations, and the North Korean domestic economic situation has seriously deteriorated."

"I understand that the Japanese Government has so far been proceeding in the normalization talks with North Korea, adhering to five principles on normalization of relations between Japan and North Korea including the significant progress of inter-Korean dialogue and the acceptance by North Korea of International Atomic Energy Agency inspection of North Korean nuclear facilities," Yi was quoted as saying.

Yi also said he hoped negotiations between the two sides would not influence improvement of ties between South Korea and Japan.

* Gulf War's Four Lessons for Kim Il-song

912C0176A Seoul CHOSON ILBO in Korean 4 Mar 91 p 5

[Article contributed by Yu Sok-yol: "Four Lessons of Gulf War for Kim Il-song"]

[Text] With President Bush's cease-fire announcement on 28 February, the Persian Gulf War has, in fact, ended with a complete victory of the American-led coalition forces. It has been 43 days since the war broke out on 17 January and four days since the ground war started. In his cease-fire announcement, Bush declared, "Kuwait has been liberated; the Iraqis have been defeated; and we have accomplished our mission." Bush demanded that the Iraqi Government immediately release all of the POW's of the coalition forces and all foreigners who are in captivity, identify the locations of mines and provide information on how to remove them, and to accept all of the United Nations Security Council resolutions.

As Iraq's defeat became inevitable, Saddam Husayn changed his attitude and in fact surrendered on 27

February by accepting the UN resolutions to give up rights in Kuwait and to compensate for the damage caused by the war.

The coalition forces made a decision to call for a cease-fire, since they considered that they accomplished most of their goals to liberate Kuwait by force, to cripple Iraqi war capability to an extent that Iraqi military forces cannnot be rebuilt in the near future, and to remove Saddam Husayn from power.

Our concerns at this point are the effects of the Persian Gulf War on the Korean Peninsula, especially the lessons that the Gulf War might give to North Korea's Kim Il-song, who is still maintaining dictatorship and adventurism which exceed Saddam Husayn. Among the many lessons that we can think of, the most important lesson that Kim Il-song might have learned is that under no circumstances would an invasion by force or a provocation of war be allowed by the international community. The UN resolution to punish the invader who threatens world peace and the firm decision to declare war against Iraq by the coalition forces and the consistent execution of the war appear to be a powerful implication to North Korea to reconsider its adventurous strategy against South Korea.

Second, Kim might have confirmed first-hand the isolation felt by Husayn from the international community as a result of dictatorship and invasion by force. Before the shock of the brutal execution of Romania's Ceaucescu, who promised to carry out a united line with Kim Il-song to forcefully resist the Eastern European changes, died down completely, Kim would be able to predict his own fate, while witnessing the fall of another dictator, Saddam Husayn. It is a natural consequence of North Korea's criticism of the United States and the support it gave Saddam Husayn even before the war broke out that the isolation of North Korea from the international community became worse.

Third, dictators tend to make gravely false decisions due to lack of accurate information. It is very likely that Kim Il-song supported Husayn's fighting against the United States and viciously denounced the United States with "anti-imperialism and anti-U.S." slogans with an intention to secure a post-war arms export market, which is North Korea's major source of foreign currency, and tried to take advantage of the Gulf War for his domestic politics. Traditionally, North Korea created a sense of tension among its people by instigating hostility against the United States to control its people and to reinforce dictatorship.

It appears that North Korea aimed at effective control and binding of its people with propaganda claiming that the Gulf War escalated the possibility of invasion of North Korea by South Korea and the imperialist United States. Kim's calculation, however, proved to be wrong due to his misjudgment of the international situation. The victory of the America-led coalition forces aroused the North Korean people's concerns and distrust of their system.

Saddam Husayn's strategies to lead the war in his favor by inducing the war into an Arab-Israel conflict, religious war, large-scale destruction of oil wells, long-term war taking advantage of bad weather, and massive fatalities of U.S. forces proved to be ineffective. Husayn's strategy and judgment that he could claim a political victory with Soviet intervention, in spite of military defeat, were also proved to be wrong. This war proved how inaccurate a dictator's selfish judgment can be and how costly are the sacrifices.

Fourth, this war showed that people's loyalty toward a dictator can easily disintegrate in an emergency situation. The Iraqi military, that had been supporting Husayn for the past 20 years, gave up fighting as the full-scale ground war broke out and even the elite Republican Guards did not perform as expected. When Husayn announced the withdrawal of his military from Kuwait, the people of Baghdad poured into the streets and cried with joy, rather than despairing their defeat. The gun salute by air-defense and artillery units congratulating Husayn's decision to withdraw was evidence of how easily loyalty and solidarity built around a dictatorship can be disintegrated.

The victory of America-led coalition forces is "the victory of the United Nations, the victory of the government by law, and the victory of justice," as Bush declared in his cease-fire announcement. It is also an expression of the whole world's wishes to harshly punish any aggressor threatening world peace.

I hope the results of the Gulf War will provide a valuable lesson to Kim Il-song, who has not yet given up hope of conquering South Korea by revolution and force. I also sincerely hope that Kim will join our efforts toward world peace and the happiness of mankind, by learning a lesson from the Gulf War to give up his image of dictator and aggressor.

GDR Professor: No Reforms in North Soon

SK1104065991 Seoul CHUNGANG ILBO in Korean 10 Apr 91 p 5

["Summary" of interview with Professor Hans Mareski, former high-ranking official of East Germany's Foreign Ministry who served at its embassy in Pyongyang, by reporter Kim Kuk-hu; first three paragraphs are introductory]

[Text] Professor Hans Mareski (58) who received his PhD in political science, is currently a researcher and professor at the International Affairs Institute, Potsdam University. He is a former high-ranking official of East Germany's Foreign Ministry, who served in Pyongyang for two years (January 1988-March 1990). He came to

Seoul on 9 April to give lectures at the Foreign Policy and National Security Institute and at Seoul National University.

Based on his experiences in Pyongyang, he recently published a book in Germany entitled, "North Korea's Kimilsongism." He said: "As a German scholar, it is a very interesting task to examine the issue of reunification on the Korean peninsula from the position of the North and South Korean Governments and of trying to find clues so that North and South Korea can approach each other."

Following is a summary of the interview with Professor Hans Mareski.

[Kim] Some people are of the opinion that the succession of power in North Korea will be achieved in the near future. Specifically when do you think that it will be achieved?

[Mareski] Many people are talking about the succession of power on Kim Il-song's birthday or after his death. However, this has no great significance when looking at it within the context of North Korea's political structure. This is because I think that the succession of power will not bring about changes in North Korea's structure. North Korea is the only country in the world that has consistently maintained the socialist system of the Stalin era up until now. Also, even if Kim Chong-il gains power, we cannot expect any reforms. This is because it is difficult to find in North Korea the will to carry out reform as was the case in the Soviet Union and East European countries.

[Kim] Then, does this mean that the issue of reunification between North-South Korea can only be maintained in parallel?

[Mareski] That is not necessarily so. As was seen in the case of West and East Germany, the longer the period of coexistence is prolonged under different political structures, the higher the possibility of one side assimilating the other. Therefore, if both sides give up their closed policy regarding the other during this period, then they can decide on whether or not to adopt the policy of openness. Up until now, I have felt that North and South Korea did not know at all what the other one needed.

[Kim] Among the pending issues between North and South Korea, there is an acute confrontation between the two sides regarding the issue of entering the United Nations.

[Mareski] During the past 16 years, West and East Germany were simultaneous members of the United Nations. Therefore, the entry into the United Nations played a very positive role in promoting mutual understanding and unification for West and East Germany. Entry into the United Nations can also be a great advantage to North Korea. However, as a traditional monarchy [kunjugukka], North Korea believes that North and South Korea must, both in name and reality, first of all mutually recognize each other's state.

[Kim] There are reports of serious aftereffects in East Germany since unification. What are the prospects for this situation?

[Mareski] A person who receives a blood transfusion from the same blood type is apt to undergo some aftereffects. Considering that heterogeneous systems were reunited after 45 years, we cannot by any means say that there is great confusion. Also, rather than being worried, since most of the people are filled with hope for the future, it will be possible for East Germany to be restored to its original condition.

[Kim] What were the difficulties that you experienced while living in North Korea?

[Mareski] Since foreigners led a completely different life from that of the North Korean residents, there were no difficulties. In the case of the East Germans, almost all daily necessities that were needed for those residing in North Korea were brought into North Korea from our homeland.

THE KOREA HERALD on 5-Nation Railway Plan

SK1204005391 Seoul THE KOREA HERALD in English 12 Apr 91 p 2

[By staff reporter Sin Yong-pae]

[Text] China supports the proposed grand railway project involving five countries, a Soviet official said yesterday.

"At the 46th session of the Economic and Social commission for Asia and the Pacific (ESCAP) in Bangkok last November, China said it would support plans to construct a Northeast Asian railway," said Nikolay Sigounov of the Department of Scientific and Technical Cooperation with Foreign Countries.

South Korea and the Soviet Union have suggested joint feasibility studies on the proposed railway system linking China, Mongolia, the USSR and South and North Korea at the just-ended Seoul ESCAP session.

Seoul and Beijing have no diplomatic ties at present.

In an interview with this paper, Sigounov said Mongolia also voiced support for the project but it is uncertain whether North Korea will accept it. South and North Korea are still technically at war as a result of the Korean War (1950-53) triggered by the North.

"I understand all ESCAP member countries support the trans-Asian railway project," said the Soviet delegate to the U.N. regional body.

Communist North Korea has yet to become a member of ESCAP.

Probably in December this year, ESCAP will hold an intergovermental meeting of railway officials on Asian land transport infrastructure development to discuss the proposed railway system, Sigounov said.

If the proposed railway system is built, it would speed up trade between South Korea and the Soviet Union, he stressed.

The tourism industry will be given a boost as well, he said.

Development of Siberia would be accelerated, he added.

Noting that three countries-Japan, France and Germany-are vying for the planned high-speed railroad linking Seoul and Pusan, the Soviet official said that it would contribute to the promotion of the trans-Asian railway project.

He said huge sums of money will be needed to carry out the project but Moscow will have no financial problems, because the planned railway would be linked to the existing trans-Siberian railway system.

He proposed that transportation officials and engineers of South Korea and the USSR hold talks to discuss the trans-Asian railway.

Sales Contracts From Middle East Increase

SK1204095091 Seoul YONHAP in English 0911 GMT 12 Apr 91

[Text] Seoul, April 12 (OANA-YONHAP)—Sales contracts are flooding in from the Middle East, making up for wartime losses, the Korea Trade Promotion Corp. (KOTRA) said Friday.

Buyers in the United Arab Emirates, Iran, Egypt and Jordan signed contracts worth 324.5 million U.S. dollars March 1-26, double the amount for Jan. 17-Feb. 28, according to KOTRA, which cited reports from its offices in the four nations and Saudi Arabia.

Electric and electronic products, fabric, tires and tubes are in greatest demand, but military supplies and metal products are sluggish compared with the war period.

Contracts in UAE amounted to 53,288,000 dollars, with most orders for electric and electric products and fabrics.

Egypt made contracts worth 252.9 million dollars, nearly a 40-fold increase from the Gulf war period, with orders predominantly for electronic products.

Korea, however, saw a three-fold reduction in contracts with Iran at 18.3 million dollars owing to a sharp decline in steel products sector. Contracts with Jordan stopped at 4,000 dollars, a sharp decrease from 3,034,000 dollars during the war, due to a foreign currency pinch facing the country, KOTRA said.

No aggregate figures are available for Saudi Arabia, which is still reeling from the war.

KOTRA officials said more sales contracts will be signed this month as there are many ongoing talks for daily necessities, steels and medicine, and total purchases this year are expected to total 3 billion dollars.

RDP Faction on Presidential Candidate Demands

SK1204001991 Seoul TONG-A ILBO in Korean 9 Apr 91 p 1

[Text] It was learned on 9 April that President No Tae-u will make known his intentions regarding the next presidential candidate early next year and that he will hold a convention to select a presidential candidate in May, 1992 as scheduled.

President No Tae-u revealed his intention to Kim Yong-sam, executive chairman of the Demoratic Liberal Party [DLP]. It also has been learned that, so as not to stir up trouble within the party about President No Tae-u's plans, Executive Chairman Kim and the faction of the Reunification Democratic Party [RDP] will withdraw its original demand for an early convention to be held right after the local council elections of large units in June.

In connection with the issue of deciding the next presidential candidate, a high-ranking official in Chongwadae [presidential office] on 9 April said, "There is no change in President No Tae-u's plan to reveal his intention fairly early next year." And, he added, "At present, there is no plan to expedite or change the date of the convention slated for May, 1992."

A high-ranking official of the RDP faction said, "Because the Laurel Club, which has stirred up various troubles within the DLP, loses its power within the ruling party, the RDP faction's strong demand for an early convention may stir up a new factional dispute." He added that, for this reason, the RDP faction has decided to change its demand for a convention from its original plan to one where they move full steam ahead with a convention right after the local council elections of large units in June.

In addition, aides of Executive Chairman Kim revealed, "Because Pak Chol-on, minister of sports and youth, resigned as adviser of the Laurel Club, there is no group with the power to compete with Executive Chairman Kim to be the next presidential candidate." They added, "It is the best policy to change the RDP faction's plan so as to win a firm victory in the issue of confirming the next presidential candidate, by way of strengthening relations between President No Tae-u and Executive Chairman Kim Yong-sam, and by way of minimizing friction within the party."

The RDP faction, however, still does not give up its basic stand that even though it withdraws its demand for an early convention, the plan to decide the next presidential candidate should be confirmed before the end of this year, with President No Tae-u's consent. Thus, there may be friction stirred up.

In connection with this issue, some of the RDP faction said, "Because we have withdrawn our original demand for a convention right after the local council elections of large units, we will attempt to confirm the issue of the next presidential candidate this year to persuade President No Tae-u and some DLP lawmakers." And, they added, "If this is not possible, they will make a serious decision after the plenary session of the National Assembly."

No Tae-u Urges Kim Yong-sam To Work for Unity

SK1104115391 Seoul YONHAP in English 1139 GMT 11 Apr 91

[Text] Seoul, April 11 (YONHAP)—President No Tae-u on Thursday urged the No. 2 man in his ruling party to personally see that nothing happens to damage party stability and unity.

There should not be any more media emphasis but on party policies, the president stressed, asking his Democratic Liberal Party (DLP) to become a party working and serving for the people.

The remarks were made during a party affairs briefing by Kim Yong-sam, DLP executive chairman.

Commenting on the recent resignation of Sports and Youth Minister Pak Chol-on from Wolgyesuhoe [Laurel Club], an inner circle within the DLP, No said the act was in the spirit of his June 29 declaration of 1987 seeking democratization. The incident, he said, should serve as an opportunity to strengthen the bond inside the party.

Pak, No's relative and close aide, had resigned April 6 from the politically tinted, high-profile circle. No specifically said that Wolgyesuhoe shall not have any political influence.

"Party image will be gravely hurt if the people suspect intra-party rift or power struggle in the face of approaching local elections," No told Kim.

"Executive Chairman Kim should give special efforts to prevent any remarks or acts that may undermine party stability and unity," he said.

"People are wondering if the government has the will for economic recovery, price stabilization and public security," the president said, "it is time now to show to the people the party that cares for the people."

On Soviet President Mikhail Gorbachev's Seoul [as received] visit next week, No said Gorbachev's decision to come to South Korea despite domestic problems proves his awareness of the importance of Seoul-Moscow relations. It also proves South Korea's rising international status, he said.

NDU Falls Short of 'Restructuring' Politics

SK1204005691 Seoul THE KOREA TIMES in English 12 Apr 91 p 6

[Editorial: "Advent of Opposition Merger"]

[Text] The birth of a new opposition party, the New Democratic Union [NDU], the product of a merger of the main opposition Party for Peace and Democracy [PPD] and a dissident group, is indeed a significant event in the nation's political annuals. Yet, the event falls short of representing a restructuring of the political world.

Kim Tae-chung, the newly elected NDU president, is sure to strengthen his position and become the party's standard-bearer in the forthcoming presidential election slated for late next year with the recruitment of a considerable number of followers. And this is despite the fact that, in the process of the new party inauguration, the PPD not only changed its name to the NDU but also refurbished the old party with a new leadership format.

However, it is to be noted that there has been no epochal alterations in the party organization as well as Kim's image as a popularist leader representing the limited area of the Cholla-to provinces, as the new party has failed to shake off the unpalatable title of "regional party." The backbone of the party is as ever personalities coming from the southwestern provinces of Cholla-to.

The NDU leader Kim, apparently cognizant of this, asserted in the inauguration convention Tuesday that he would seek a grand coalition with all other forces opposed to the No Tae-u government for a shift of power to civil control in the coming elections. He also insisted on the need for eradication of regionalism, and particularly the provincial antagonism between Kyongsang-to and Cholla-to, his native place and power base.

As for the grand opposition coalition, the new party will have to achieve a merger of alliance with another opposition group, the Democratic Party whose stronghold is the rival Kyongsang-to provinces. But the PPD, the NDU's predecessor, had experienced a bitter failure in an effort to achieve just this goal, due to conflicts of interest, political thinking and background.

It is true that Kim and many people are of the view that unless the new party rids itself of its status as a regional group, it will find it difficult to win in the forthcoming elections—be they local, national or presidential. The initial test will be the local elections in large administrative districts scheduled in June but prospects for the NDU are not bright. The defunct PPD already suffered a crushing defeat in the local elections in the small electoral districts last month.

Regardless of the outcome of the local elections, Kim and his party need to make extraordinary endeavors to build a grand opposition unity in their crucial attempts to win in the coming national elections. There will

develop, anyhow, a full-fledged movement among the opposition forces for a realignment to cope with the ruling camp.

In the meantime, an immediate task for the NDU leader is the renovation of his image as a charismatic leader representing certain provinces. The former PPD was widely regarded as Kim's private party. It was considered that without his presence the PPD would lose its raison d'etre. In other words, the PPD had solely served to actualize Kim's aspirations for the presidency.

Kim's appeals for a power transfer with an implicit playing on the rivalry between the provinces was not very effective during the past Assembly and presidential elections. And his status as a champion promoting the interests of his provinces' people ran counter to the buildup of his image as a national statesman.

The merged opposition party, of course, needs to develop into a truly national party but this cannot be done merely with the change of its name. The party has to cultivate its own qualifications so that it is capable of taking over the helm of government.

The party must be seen to be firmly committed to parliamentary politics and have a clear-cut political line, sloughing off its past practice of boycotting Assembly sessions and taking to the streets for the attainment of its partisan goals.

It is also necessary for the NDU to elaborate in detail on its professed "central-progressive" line, an equivocal ideology, though the terminology seems to indicate the steering of a middle course between conservatism and reformism, perhaps because the newcomers to the party are mostly political dissidents regarded as radical reformists or progressivists.

Burma

Trade Delegation Departs for PRC's Kunming

BK1004151991 Rangoon Burma Television Network in Burmese 1330 GMT 10 Apr 91

[Text] A three-member Myanmar [Burmese] trade delegation headed by Brigadier General Abel, minister of planning and finance and trade, left by air this afternoon for Kunming in the PRC's Yunnan Province, at the invitation of the Yunnan Provincial Government.

The Myanmar trade delegation was seen off at Yangon [Rangoon] airport by Lieutenant General Aung Ye Kyaw, minister of cooperatives and construction; Lt. Gen. Chit Swe, minister of agriculture and forests, and livestock breeding and fisheries; Major General Myo Nyunt, commander of the Yangon Military Command; Mr. Cheng Ruisheng, PRC ambassador to Myanmar; and directors general, managing directors, and responsible officials of departments and work units concerned under the Office of the Cabinet, the Ministry of Foreign Affairs, the Ministry of Trade, and the Ministry of Planning and Finance.

From Kunming, the Myanmar trade delegation will proceed to the 69th Spring Trade Fair opening in Guangzhou on 15 April.

Fifteen More Youths Return From Thailand

BK1204103091 Rangoon Domestic Service in Burmese 1330 GMT 11 Apr 91

[Excerpt] Fifteen youths who fled to Thailand via the border region because of instigation by some unscrupulous persons have given up their armed struggle and surrendered. The youths arrived at Health Jetty in Pansodan, Yangon [Rangoon], in the coastal vessel "Taunggyi," at noon today from Kawthaung.

The youths were welcomed by Lieutenant Colonel Soe Win, staff officer grade one from the Yangon Military Command Headquarters, and responsible officials. The youths are being temporarily accommodated in the mess hall of the Yangon Military Command where they were met and greeted by waiting parents, relatives, and friends. The youths will be handed back systematically to their parents in their home towns. [passage omitted]

Khin Nyunt Meets With Pa-o Leaders 11 Apr

BK1204100391 Rangoon Domestic Service in Burmese 1330 GMT 11 Apr 91

[Excerpts] Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] and chairman of the Work Committee for Development of Border Regions and National Races, accompanied by responsible officials from the Office of the Chairman of the SLORC, the People's Police Force, directors general and managing directors of departments concerned, and work committees, left Yangon [Rangoon] on the afternoon of 11 April in an Air Force plane and arrived at Heho Airport at 1330. [passage omitted]

The secretary-1 and his entourage then proceeded by car to the Eastern Military Command Headquarters in Taunggyi.

At 0800 today Maj. Gen. Khin Nyunt and his entourage met leaders of the Pa-o National Organization [PNO], who had returned to the legal fold, in the Operations Hall of the Eastern Military Command and discussed the development of border regions and national races. [passage omitted]

Speaking at the meeting, the secretary-1 said: "I would first like to say that we regard today as an auspicious day. On behalf of the SLORC and the Defense Services, I would like to warmly welcome the leaders of the Pa-o nationals who had returned to the legal fold." [passage omitted]

"I believe U Aung Kham Hti, leader of Pa-o nationals, and other leaders are aware that our SLORC or Defense Services are undertaking development projects in border regions where our fraternal national races reside. While our SLORC and Defense Services are undertaking construction and development projects on a national scale, we are also taking measures to ensure our kith and kin in the border regions do not lag behind in development. Therefore, I would like to urge members of my delegation and members of the Pa-o leaders delegation to hold discussions and consultations on the development of their respective regions in a frank and cordial manner." [passage omitted]

"In our endeavor to develop the border regions, we first attended to the development of Kokang nations in their region, and then we undertook development work for Shan and Akha nationals in Eastern Shan State. This was followed by development work for Wa nationals in their region and then Shan nationals living in southern Lashio and Kachin nationals in the northern part of Burma. Recently, we initiated development work for Chin and Naga nationals in their regions which I visited recently.

"The state expenditure for the entire border regions development scheme nationwide has so far amounted to kyat 274 million in the last two years and more funds are being expended. Presently, we have the potential to expand the development scheme with the emphasis on transport and communications and health and education." [passage omitted]

"In undertaking these development projects I believe there should be mutual trust. As for us from the Defense Services, we have had the tradition of cooperation and understanding with the Pa-o nationals since the 1940's and fifties. We are no strangers. Pa-o national leaders know best about the Defense Services. We have never failed to honor our words and our pledges. So, we shall speak and discuss frankly and cordially about carrying out our work. Under the prevailing situation, we shall

proceed with our work in complete trust of the Pa-o national leaders. Therefore, I conclude by urging the Pa-o national leaders to hold frank and cordial discussions in complete trust and without suspicion."

Next, U Aung Kham Hti, leader of the PNO, spoke as follows:

"I would first like to express my respect for Major General Khin Nyunt, secretary-1 of the SLORC; commanders, officers, and noncommissioned officers of the Easter Military Command; friends; and members of the delegation present. I am U Aung Kham Hti, who represented the PNA [Pa-o National Army] delegation at the cease-fire talks. Due to the wisdom and patriotism of the national leaders, talks on a cease-fire in the Pa-o region were held beginning 24 December 1990 through the intermediary U San Aung. After repeated rounds of discussions among our responsible officials of the PNA, we concluded that the border region development schemes of the military leaders and the government—SLORC—are in accordance with the prevailing situation in the world, Asia, and Myanmar, and that of the needs of our Union of Myanmar and wishes of the entire national people.

"We witness how the national leaders, that is, the leaders of the Defense Services, are furthering the three main national causes of preventing the disintegration of the Union; perpetuating national unity and sovereignty with their good leadership, vigilance, sincerity, and goodwill; while promoting the development of border regions. We of the PNA believe that the leaders of the Defense Services understand and know best about the situation of the Pa-o nationals and their economic and social conditions."

"We believe that the role of and the assistance from the Defense Services are indispensable in working for the peace and prosperity of the Pa-o region and development and prosperity of the entire nation. We also believe that undertakings for peace and prosperity of the Pa-o region as well as prosperity and development of the entire nation will be successful only through cooperation with the national government—the Defense Services. Therefore, on 25 February 1991 preliminary talks were held between the delegation led by Lieutenant General Kyaw Thein, representative of the SLORC, and the PNA delegation led by Khun Tun Yi.

"Topics discussed at those preliminary talks included the founding of the PNA, its aims, areas of PNA operation, military and administrative strength of the PNA, projection of future PNA expenditures, external enemy of the PNA, economic future of the PNA, points which the PNA would like to have verified, cease-fire, and basic development principles. We have reached this current final stage of the talks, which is the result of the preliminary talks, which were almost a hundred percent successful because the two sides based their discussions on their mutual concern for national interests. After the preliminary talks were held, the PNA held their congress on the issues of cease-fire and development from 21 to 23 March 1991.

"In the resolutions of our PNA Congress we declared that we welcomed and accepted the cease-fire, and that the PNA had resigned from the National Democratic Front [NDF] and the Democratic Alliance of Burma [DAB]. After we held the PNA Congress we convened the Pa-o National Congress composed of representatives of the entire Pa-o nationals on 27 March 1991." [passage omitted]

"The Pa-o National Congress passed the resolutions that fully welcomed and supported the cease-fire agreement and pledged to vigilantly and relentlessly implement the Pa-o region development scheme as a national campaign, and decided to form a national committee to supervise the Pa-o region development scheme." [passage omitted]

SURA Insurgents Surrender to Eastern Army Camp

BK1004091191 Rangoon Domestic Service in Burmese 1330 GMT 9 Apr 91

[Text] People belonging to various insurgent organizations who have come to see their wrongdoing have given up their armed struggle and have been surrendering with assorted arms and ammunition to different Army camps. Accordingly, the following surrenders took place in areas in the jurisdiction of the Eastern Military Command:

At 1005 on 25 March, eight insurgents belonging to the artillery unit and the 63d Battalion of the SURA [Shan United Revolutionary Army] surrendered at Mong Hsat Army camp together with two M-16's, one M-22 automatic rifle, one carbine, eight grenades, two M-14 mines, 240 rounds of assorted ammunition, and four assorted magazines.

Those who surrendered were Aik Su, 25; Aik Yun, 20; Kham Swe, 23; Aik Shan, 28; Aik Swe, 24; Nandi, alias Sai Maung, 25; Nalata, alias Aik Naw, 21; and Swe Aung, 28. It was learned that officials responsible warmly and cordially welcomed back these people who have given up the armed struggle.

Brunei, Malaysia & Singapore

Malaysia

Mahathir 'Prepared' for Attempts To Topple Him

BK1204140291 Kuala Lumpur Domestic Service in English 1330 GMT 12 Apr 91

[Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed said today he is prepared to face attempts to topple him and will continue to defend himself. In an interview with RTM [Radio Television Malaysia], the prime minister said he will not fall as long as that moment has not arrived. He said if it is time for him to

fall, he will fall. But if it is not time yet, he will not. He said this when asked if recent rumors that he was ill were an attempt to topple him.

Datuk Sri Dr. Mahathir said he did not know if the rumors were spread with the intention of bringing him down, but he admitted that many people wanted to topple him. He said the rumors might have been the work of certain people in foreign countries who wanted to discredit Malaysia out of envy. He said mayl : there are people outside Malaysia with vested interests who wanted to disrupt things in the country. The prime minister said this is because Malaysia has been acknowledged for its success in almost all the fields—good racial relations, economic growth, sound financial position, and the like. This may cause envy. He cited as an example government efforts to beautify Kuala Lumpur which inevitably were criticized by some people. Datuk Sri Dr. Mahathir said nothing ca.e be done with people with such an attitude as it is their nature. These people never see the good thing because they look only for the bad. Datuk Sri Dr. Mahathir said the rumors might also have been started by people speculating in the share market to make quick gains.

Envoy on Importance of East Asia Economic Group

BK0904102091 Kuala Lumpur International Service in English 0800 GMT 9 Apr 91

[Text] Malaysia's special envoy to the United Nations, Datuk Musa Hitam, says East Asian countries need to work together to form a larger economic grouping to foster continuing economic dynamism in the region. This is important as ASEAN countries on their own are not strong enough to influence global economic trends. By speaking with one voice, they can help provide the necessary check and balance to ensure an open global trading and economic system.

Datuk Musa said this in a keynote address to a day-long conference on Southeast Asia in the 1990's in Washington. He was referring to the East Asian economic grouping proposed by Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed.

Commentary on Humanitarian Aid to Iraqi Kurds

BK1204100691 Kuala Lumpur International Service in English 0800 GMT 12 Apr 91

[Station commentary]

[Text] The Malaysian Cabinet's approval of U.S. $100,000 equivalent to 270,000 Malaysian ringgit as relief aid for the suffering Kurds along Iraq's borders is indeed commendable. This spontaneous gesture of the government is a positive and clear indication of its willingness and readiness to go to the assistance of the suffering, the oppressed, and the destitutes. The aid is to be channelled through the International Red Crescent Society, IRCS.

Prime Minister Dr. Mahathir Mohamed, who announced the grant two days ago, said it was saddening to note the plight of the Kurds under the cruelty of the Iraqi Armed Forces, especially as both parties involved are Muslims. Malaysia, as a democratic country, cannot condone Iraq's action against its own people. In this regard, the prime minister said that Muslims in Malaysia should be grateful as they are able to observe their fast and other religious obligations in an atmosphere of peace and stability.

Dr. Mahathir was also justified in criticizing the role the U.S. has played to bring about the present crisis in Iraq. It was the U.S. President who urged the Iraqis to rise against the tyranny of Saddam Husayn and bring about his overthrow. The Kurdish armed effort was based on the assumption that they would have American military help. In the end, they will have to do it on their own. They were abandoned and were led to butchers and then massacred. They had to escape from the Iraq forces' brutal attacks, including the use of napalm bombs and flee to the borders.

There is an estimated 1 million Kurds on the Iraqi borders seeking refuge in Turkey and Iran. Grim pictures and details abound in the reports we receive daily of the plight of these refugees. Apart from the hundreds of corpses lying around, we see images of suffering, starving people, many of them innocent children, which can only evoke a deeper sympathy and compassion. They need food, blankets, tents, warm clothing, medical supplies, and many other necessities. The summer heat is aggravating health problems resulting from drinking unclean water. The IRCS has reported a water crisis which threatens life. It has appealed for water treatment and distribution equipment as well as volunteers from the medical, engineering, technical, and administrative fields to serve as volunteers to help alleviate the present suffering.

Malaysia's contribution may be small when compared to the vast amount that is actually required. But it is done in all sincerity and in sympathy for the fleeing refugees. If the world's community can individually and collectively join in responding to the IRCS' appeal for urgent aid, the crisis and the suffering can be minimized to a great extent.

Singapore

Daily Reports Results of Post-Gulf War Poll

BK1104114491 Singapore THE STRAITS TIMES in English 9 Apr 91 p 20

[Text] The results of the second SUNDAY TIMES poll on the Gulf war may show stark differences between Malays and other races but it should not be deduced that Malays are disloyal, said several Muslim leaders yesterday.

Indeed, the differences should be accepted as part of the reality of a multi-racial society that was maturing they said.

Many of the 10 non-Malays interviewed also agreed with these views, stressing that Singaporeans should not overreact to the results, and that Malays were entitled to feel differently about the war.

On the finding that more Malays supported the allies' use of force than in the first survey, most of those interviewed agreed some Malays might have been emotional before and now had more information to assess the war more objectively.

The second poll, published last Sunday, showed that five in 10 Malays supported the allies' use of force against Iraq, compared with three in 10 in the first survey, conducted during the war.

But two Malay grassroots leaders who declined to be named dismissed this explanation of Malays being more rational now, as offered by Minister-in-Charge of Muslim Affairs Dr. Ahmad Mattar on Sunday.

"So, can we assume that the rest of the Malays who are still against the use of the allied forces are behaving irrationally, more emotionally? That is not a logical explanation," said one of them.

Agreeing with other leaders that the survey results were encouraging, Senior Parliamentary Secretary (Education) Sidek Saniff said yesterday that Singaporeans must go beyond the figures to understand why some Malays felt differently about the war.

"We must accept that there are differences, but we must not equate them with disloyalty or even an isolationist outlook held by the Malays," he said.

The first Malay MP to criticise the first survey then, Parliamentary Secretary (Foreign Affairs) Yatiman Yusof said that he hoped the findings would not hinder government efforts to bring Malays into the mainstream in every area, including defence and security.

He also said that THE STRAITS TIMES should be fair in future by conducting similar surveys when there are issues affecting other races or religious groups.

"Otherwise, it will be seen as having an arbitrary interpretation of how it goes about mirroring society and will not help in creating a more cohesive Singapore society," he said.

On the question of disloyalty, Mr. Ridzwan Wu, president of Darul Arqam, the Muslim Converts' Association, said: "If the findings are used to justify a particular policy or position held by the dominant group, then it can prove stifling to the open society as people will shy away from giving their real views in future."

The question of loyalty should not be confused with the findings, said Mr. Chua Gim Siong, 44, secretary-general of the Singapore Federation of Chinese Clans Association, who felt that Malays were no "less Singaporean" by offering differing views.

Speaking in his personal capacity, he felt that the Chinese would have reacted emotionally too over a particular issue affecting them closely, as in the Tiananmen Square massacre.

In a similar vein, civil engineer Tan Ho Liat, 35, said there was no need to get worked up over the poll findings; what was more important was to understand why the Malays first reacted so strongly against the war, and later became more neutral.

As he saw it, the Malays finally felt that the US was the "lesser of two evils", even if they had sympathised with President Saddam Husayn initially.

Some of those interviewed also felt that the role played by Malay MPs and the Mufti, the highest Muslim authority here, in explaining issues helped to increase awareness and sway opinion.

"It is good that the leaders acted in unison to guide Malay thinking on this issue," said Mr. Abdul Halim Kader, president of Taman Bacaan.

The president of Jamiyah Mr. Abu Bakar Maidin, said that Malays were probably confused over the many conflicting reports during the war, and hence their emotional reaction.

"Most did not know the true story and so were very emotional and very excited," he said, adding that they were now able to judge better.

Some academics interviewed also said that the second survey was a better one, as it covered more Malays, 301, compared to 106 in the previous survey.

But, as sociologist Tan Ern Ser, 36, said, it would have been better if a random, not a quota, sample, was used as it would have been more reflective of Malay opinion.

Objecting strongly to the survey, technician Mohamed Daud Rashid Zulkifli said it was not accurate to compare surveys, as the first was "for sure, inaccurate because the sample size was so tiny".

"So, we cannot compare the two. In fact, the second survey may be reflecting what Malays have felt all along," he said.

Cambodia

Heng Samrin Receives Palestinian Representative

BK1104092791 Phnom Penh Domestic Service in Cambodian 0430 GMT 11 Apr 91

[Text] On the morning of 10 April at the Khemarin building, Comrade Heng Samrin, general secretary of the party Central Committee and chairman of the State of Cambodia's Council of State, received credentials from

His Excellency (Soyus Khali Tomati), who has been appointed Palestinian ambassador extraordinary and plenipotentiary to the State of Cambodia.

On this occasion, His Excellency (Soyus Khali Tomati) expressed sincere thanks to the Cambodian party, government, and people for supporting the Palestinian people's just cause of struggle. His excellency also affirmed that during his diplomatic mission in Cambodia, he will do his best to expand and strengthen the relations of friendship between the Palestinian and Cambodian people. His Excellency (Soyus Khalin Tomati) stressed that the Palestinian people actively support the correct policy of the Cambodian party and government to peacefully solve the Cambodian problem aimed at bringing genuine peace to the Cambodian people.

Replying, Comrade General Secretary Heng Samrin firmly believed that the comrade ambassador's mission to Cambodia will be a success and will firmly expand the relations of solidarity and friendship between the Cambodian and Palestinian people. Comrade General Secretary Heng Samrin stressed that his excellency's mission coincides with a time when the Cambodian party and government are striving to find peace and end the war through a genuine political solution. However, the State of Cambodia's correct and just goodwill has been (?discarded) by the genocidal alliance [words indistinct]. This alliance still wants to prolong the bloody war and the Cambodian people's suffering. Finally, Comrade General Secretary Heng Samrin stressed that the Cambodian party, state, and people support the Palestinian people's just struggle for the right to self-determination to set up an (?independent) state.

Hun Sen Tours Kompong Thom Province 10 Apr

BK1204052691 Phnom Penh SPK in English 0414 GMT 12 Apr 91

[Text] Phnom Penh SPK April 12—Hun Sen, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of the Council of Ministers, toured Kompong Thom Province, 150 km north of Phnom Penh, on April 10.

During his talks with the provincial authorities and people, Premier Hun Sen spoke of the great achievements recorded by the Cambodian people, especially the victories gained by the Cambodian Armed Forces in their counterattacks against the enemy in Kompong Thom Province and in the western parts of the country.

He highly valued the resolute struggle of the armed forces and people of Kampong Thom Province in defending the social gains and maintaining security and safe living conditions for the people.

On a political solution to the Cambodian problem, Hun Sen said general elections in Cambodia would be organised in 1992 whether a political solution could be achieved or not.

While there, Premier Hun Sen visited families of war invalids and fallen combatants and distributed gifts to them.

Sihanouk Thanks to Japanese Committee

BK1204075991 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 11 Apr 91

[Text] Every year since Vietnam invaded and occupied Cambodia, the Japanese Committee for Organizing the Conference on Cambodia [JCOCC] has organized an International Day on Cambodia on the occasion of Cambodian traditional New Year, 13 April, to express Japan's solidarity and support for the Cambodian people in their struggle against the Vietnamese aggressors and race exterminators. On this occasion, leaders of our National Government of Cambodia [NGC] often send messages to thank the committee for this activity. The following is the full text of the message from Samdech Norodom Sihanouk, president of Cambodia and head of the Cambodian National Resistance [CNR], to His Excellency Haruo Okada, representative of the JCOCC in Tokyo, Japan:

Your Excellency: The annual organization of the International Cambodia Day on 13 April on the occasion of the Cambodian traditional New Year by the JCOCC reflects the Japanese people's constant assistance, support, and solidarity for the Cambodian people's just cause for national liberation from the Vietnamese colonialist yoke. On this solemn occasion, on behalf of the Cambodian people, the NGC, and CNR forces and in my own name, I am greatly honored and very happy to express our sincerest and warmest salutations to Your Excellency and the JCOCC.

The Cambodian people, who have been struggling for survival for over 12 years, will always remember the valuable contribution and encouragement given us by the Japanese people and the JCOCC. Thanks to this contribution and encouragement, together with the assistance and support given us by all peace- and justice-loving people across the world and the arduous struggle waged by the Cambodian people, the war in Cambodia which was caused by the Vietnamese aggression and occupation has now reached the stage of a fair, permanent, and comprehensive solution through political means.

After working tirelessly for several months, on 26 November 1990 the five permanent members of the UN Security Council [UNSC] and the cochairmen of the Paris International Conference on Cambodia [PICC] agreed on a draft of the comprehensive political solution elaborated from the framework document dated 28 August 1990 that the entire UN Security Council unanimously approved on 20 September 1990 through Resolution No. 668/1990 and the UN General Assembly approved on 15 October 1990. This draft comprehensive political solution to the Cambodian problem is based on national reconciliation and involves the extensive role of the United Nations, which will supervise and verify the

withdrawal and nonreturn of all categories of Vietnamese forces from Cambodia, as well as organize a correct and free election in a neutral political atmosphere by establishing the Supreme National Council [SNC] as the sole legitimate organization and source of power in Cambodia during the transitional period and to represent Cambodia's sovereignty and national unity.

Out of the earnest desire to end the war and the untold misery of the Cambodian people, the three NGC parties and the CNR forces have, since the beginning, supported the persistent efforts of the five UNSC permanent members and the PICC co-chairmen and have warmly welcomed all their documents and repeatedly stressed that the three NGC parties and the CNR forces fully accept the entire content of these documents. Particularly, the draft agreement on a comprehensive political solution to the Cambodian problem worked out by the five UNSC permanent members and the two PICC co-chairmen is the plan for a permanent, reasonable, and fair solution that will allow Vietnam to withdraw its troops from Cambodia without losing face; enable the Cambodian people to exercise their sacred right to self-determination without foreign coercion or interference; restore peace, independence, and territorial integrity to Cambodia; and safeguard peace, security, and stability in Southeast Asia.

It is regrettable that although there was a statement accepting the framework document dated 28 August 1990 of the UNSC permanent members as a basis for settling the conflict in Cambodia, Vietnam and the regime it has installed in Phnom Penh have openly rejected these documents and the 26 November 1990 draft agreement on the comprehensive political solution to the Cambodian problem.

In fact:

1. They have insisted on maintaining the military and political status quo until a new government is set up. This means that the United Nations and international community must recognize and legalize the regime that Vietnam has installed in Phnom Penh and reject the role of the SNC, which is a component of the UN peace plan.

2. By maintaining this status quo, Vietnam and its puppet regime in Phnom Penh want to make the United Nations respect Cambodia's sovereignty represented by the Vietnamese-installed illegal regime in Phnom Penh, which is to make the United Nations respect Vietnam's sovereignty in Cambodia.

3. They oppose the disarming and dismantling of the army of the Phnom Penh regime by the United Nations simultaneously with the disarming and dismantling of the three Cambodian resistance groups' armed forces to create a neutral political atmosphere for holding a free and correct election that will enable the entire Cambodian people to exercise their sacred right to self-determination. They reject the dispatch of a viable military-civilian authority, including the UN Peacekeeping Force to Cambodia. That is, they reject the extensive role in Cambodia of the United Nations to be played through the UN Transitional Authority in Cambodia [UNTAC] which is another component of the UN peace plan.

The causes for Vietnam and the Phnom Penh regime to block the UN peace plan can be seen clearly now.

1. They do not want the United Nations and the international community to see the shift of Cambodia's land and sea boundaries for Vietnam's benefit. As a matter of fact, Vietnam has already annexed a large part of Cambodia's land and sea territory.

2. They do not want the United Nations and the international community to see the presence of the over 40,000 Vietnamese troops disguised as Cambodian soldiers in Phnom Penh army uniforms which are fighting against the Cambodian resistance forces and the over 1.5 million Vietnamese immigrants settling in Cambodia in violation of the Geneva Convention dated 12 August 1949 as well as the over 10,000 Vietnamese militiamen and over 10,000 Vietnamese civilian advisers in Cambodia.

3. Vietnam does not want to abandon its policy to colonize and Vietnamize Cambodia in line with its Indochinese Federation strategy.

All the above causes are also proven through the active maneuvers and activities launched by Vietnam and the Phnom Penh regime with the intention of systematically destroying the UN peace plan. While rejecting the UN peace plan, they have persistently called for a cease-fire on the spot and the cessation of arms aid to the warring factions in Cambodia as a prevention of their so-called civil war. In fact, this is their attempt to conceal the ongoing Vietnamese war of aggression and occupation in Cambodia.

At the same time, Vietnam has continued sending fresh troops wearing Phnom Penh army uniforms from Vietnam to Cambodia to fight against the Cambodian resistance forces in an attempt to seize liberated territories from our Cambodian resistance forces.

The UN peace plan must be implemented in its entirety without exception. If this plan is altered or not fully implemented, there would be no prospects for bringing genuine and permanent peace to Cambodia and the Cambodian people. If the cease-fire on the spot is implemented, Cambodia would perish because an unavoidable consequence—the permanent division of Cambodia—is allowed to take place, and sooner or later the region controlled by Vietnam and the Phnom Penh regime would become the second Kampuchea Kraom which has now become a part of South Vietnam.

In conclusion, on behalf of the Cambodian people, NGC, and CNR and in my own name, I would like to express our profound gratitude to Your Excellency, all the esteemed members of the JCOCC, and all participants for giving continuous support and assistance to the

causes of quickly restoring Cambodia's peace, full independence, and territorial integrity and of safeguarding peace, security, and stability in Southeast Asia and the Pacific.

Your noble efforts will certainly contribute to strengthening the friendship between the Cambodian and Japanese peoples.

Please accept my best regards.

[Signed] Norodom Sihanouk, president of Cambodia and head of the Cambodian National Resistance

[Dated] 1 April 1991

Indonesia

Military Ridicules Claim of Aceh 'Immigrants'

BK1104062291 Hong Kong AFP in English 0522 GMT 11 Apr 91

[Text] Jakarta, April 11 (AFP)—The Indonesian military Thursday ridiculed claims by some 100 villagers who fled the northwestern Aceh Province to Malaysia that they were avoiding clashes between troops and separatist rebels as a "pretext" to be allowed to stay there.

The ANGKATAN BERSENJATA (Armed Forces) Daily quoted military chief spokesman Brigadier General Nurhadi Purwosaputro as saying that the clashes had subsided and that only a few of the rebels were still at large. "Aceh is safe," Brig. Gen. Nurhadi said, adding that the claims by the fleeing villagers, whom he dubbed illegal immigrants, "don't make sense."

The villagers, who crossed the Malacca Strait on three fishing boats to the northern Penang and Kedah states in the past month, have asked for an asylum, citing that they were avoiding clashes between the military and the Aceh Merdeka (Free Aceh) Movement.

Brig. Gen. Nurhadi said for many years, Acehnese have crossed to Malaysia to settle and that there was an Aceh community and one descendant even became a cabinet minister. The tendency was for those who had already settled to help arriving relatives, who often landed without travelling papers, he added. The latest groups might have been caught as illegal immigrants and "used the rebel story as a pretext to get sympathy and help from Malaysia," he said.

Brig. Gen. Nurhadi said it was up to Malaysia to decide on what to do with the villagers but warned that more people in Aceh would be tempted to try to cross the strait if Kuala Lumpur accepted the claim.

AFP: Military Sanctions 'Forum for Democracy'

BK1204085491 Hong Kong AFP in English 0818 GMT 12 Apr 91

[Text] Jakarta, April 12 (AFP)—The Indonesian military sanctioned the new Forum for Democracy movement after assurances that the group would not be used as a political vehicle for dissident figures, the forum's leader said Friday.

Abdurrahman Wahid said Major General Suryadi Sudirja had given the go-ahead for the forum's launch last week, after he was told that anti-government figures within the group would not use it to reach the masses.

The forum's 45 members are mostly scholars, some with strong support bases such as Mr. Wahid who is chairman of Nahdlatul Ulama, a Muslim organisation with over 20 million members. The forum—including a number of vocal government critics—was set up to bolster democracy, which its members said was still lacking in spirit despite the holding of elections and other democratic procedures.

Dissident figures within the group would not be able to reach the masses easily as they were not known at grass roots level, Mr. Wahid said, adding however, that the forum would not be used to "stifle the voices of its individual members". Mr. Wahid said it had taken a while to appease Home Affairs Ministry opposition to the group and the forum had agreed to change its name which the ministry felt was misleading.

The director general for politics at the ministry, Hari Sugiman, said Tuesday that the name Forum Demokrasi might be likened to pro- democracy groups in Poland and other East European countries which forced major political reforms. "Indonesia is not Czechoslovakia, and East Europe is far from here," Mr. Wahid said when asked to comment about Mr. Sugiman's statement.

We don't entertain any political ambition, or direct political participation. We have committed ourselves to using existing political channels," he said, adding however that "things might change."

The forum was currently discussing policy but Mr. Wahid said the group's ideas would have no immediate impact on the 1992 parliamentary election and the presidential election the following year.

The forum was the first of two pro-democracy groups launched this month.

The League for the Restoration of Democracy, was established Monday by leading Indonesian human rights campaigner Johannes Princen. The league is encouraging people to boycott the 1992 election.

Laos

Gorbachev Congratulates Kaysone on Appointment

BK1104131191 Vientiane Domestic Service in Lao 1200 GMT 11 Apr 91

[Text] Recently Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, sent a congratulatory message to Comrade Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committee [LPRP CC].

The text of the message reads:

Beloved Comrade Kaysone Phomvihan: I would like to wholeheartedly congratulate you, comrade, for having been elected chairman of the LPRP CC. May you, comrade, and other comrade party members realize the resolution of the Fifth LPRP Congress. I am confident that the relations of friendship and cooperation between the communists of the USSR and the LPRP as well as between the Soviet and Lao peoples will be continually consolidated and developed.

Committee Head Views Situation With Thai Team

BK1204070991 Vientiane Domestic Service in Lao 0430 GMT 10 Apr 91

[Text] Implementing the agreement reached by General Sisavat Keobounphan, chief of the General Staff of the Lao People's Army, and General Suchinda Khraprayun, Army commander in chief of the Kingdom of Thailand, on the withdrawal of troops of the two sides from formerly disputed areas to their former positions to bring peace to the common border and to preserve the fine relations of good brotherliness, the two sides on 2 and 3 April conducted ground inspections of various points in Laos, namely Phou Viang, Nong Kachip, Ban Botan, Ban Mai, and Ban Tontan. They also carried out an aerial inspection on the areas in Phou Kongden, Phou Houat, Phou Sam Niam, and Meuang Thong. On 4 April, the Lao and Thai military teams jointly carried out aerial inspections on the Thai side and landed in the areas of Ban Rom Klao, Ban Huai Phai, Ban Phia, Ban Bophap, and Ban Charoen. Inspection was also carried out in the areas of Hong Khap, Thong Khima, Lang Yang, and Kiu Nokkeo.

The outcome of the inspection showed that the two sides are sincere and understand each other by jointly inspecting the points needed to be inspected. The initial evidence of the withdrawal of troops from the points earlier agreed upon to their former positions was verified. At the same time, a memorandum on the withdrawal of troops was also signed with a sense of sincerity from the two sides.

Asked by our reporter how the immediate situation would develop, Colonel Phommachak [head of the Joint Lao Military Committee] said: In the immediate future, the two teams would hold a regular monthly meeting until further change is made. The two sides would aim especially at urgently suppressing the armed Lao rebels as agreed by the heads of the high-level Lao and Thai military delegations. The National Technical Inspection Committees of both sides will also carry out additional inspections. Further, after the troops of the two sides have been withdrawn, the local administrations in the respective localities would be in charge of maintaining peace and order in these areas.

Culture Ministry Group Meets SRV Counterpart

BK1204045891 Vientiane Domestic Service in Lao 0000 GMT 12 Apr 91

[Text] Yesterday afternoon in Vientiane capital, the delegation of the Lao Ministry of Information and Culture led by Son Khamvanvongsa, member of the Lao People's Revolutionary Party Central Committee and minister of the said ministry, and the delegation of the SRV Ministry of Culture, Information, Sports, and Tourism led by Tran Hoan, member of the Communist Party of Vietnam Central Committee and minister of the said ministry, held a consultative meeting to exchange views on the regional situation and the situation of the bilateral cooperation between the two sides on information and cultural work in the past year. They also studied a plan on the continuation of effective bilateral cooperation needed for this year.

The SRV delegation arrived in Vientiane on the morning of the same day for an eight-day visit to Laos. Welcoming the delegation at the airport were Son Khamvanvongsa and a number of high-ranking cadres concerned. SRV Ambassador Nguyen Xuan was also at the airport to welcome the delegation.

Union Official Speaks on Youth Work at Congress

BK1004131191 Vientiane Domestic Service in Lao 0000 GMT 9 Apr 91

[Speech by Mrs. Thongvin Phomvihan, first secretary of the Lao People's Revolutionary Youth Union Central Committee, delivered at the Fifth Congress of the Lao People's Revolutionary Party held in Vientiane on 28 March—recorded]

[Text] The party has consistently paid attention to organizing, educating, training, and providing favorable conditions to our youths to further enhance our vanguard role in implementing the two strategic tasks outlined by the party through the process of carrying out the 3-unity, 4-offensive campaign.

In the construction and economic development work in many localities, the Lao People's Revolutionary Youth Union [LPRYU] has been granted contracts to execute various projects by the state, for example in repairing and building roads and irrigation canals, working on some projects outside working hours, planting industrial and fruit trees, and so forth. In many localities, youths have engaged in production by participating in building the economy from the level of the family economy

upward, thus contributing to building wealth both for themselves and for the country and society.

In the education, cultural, and social fields, youths have become outstanding models in study and teaching. They have engaged in promoting supplementary education, gradually raising the standard of their education. At present, more than 5,000 youths have received education at the university or higher level.

In the arts, literary, and sports work, youths have tremendously contributed to the movements in composing songs, poems, and folk dancing verses. In the public health sector, youths have positively contributed to maintaining the 3-sanitation campaign in a considerably outstanding manner, fulfilling their duties in giving treatment and curing sick people, and carrying out a campaign to do away with backward beliefs which are incompatible with Lao traditions.

In national defense and public security maintainance work, hundreds or even thousands of youths have volunteered to join combat units to effectively defend offices, organizations, factories, schools, hospitals, localities, and ricefields.

With regard to the work of upgrading the organizational machine of the LPRYU, at present more than 30 percent of the total number of Lao youths and children have become members of the LPRYU. These comrades have enhanced their model leading role in many fields in implementing all lines and policies outlined by the party. I can affirm here that no success in any field can be achieved without the direct and active participation of our youths. These youth union members-workers have made direct contributions to winning collective victories for our country.

Educated and trained by the party, the LPRYU has grown steadily stronger and larger. On this ocasion, I would like to express our wholehearted gratitude to Comrade General Secretary Kaysone Phomvihan, the Lao People's Revolutionary Party [LPRP] Central Committee Political Bureau, and the Secretariat and members of the LPRP Central Committee for paying attention to guiding, leading, and encouraging our youths to contribute to working for the country.

In parallel with certain successes achieved by the LPRYU, numerous negative phenomena have also emerged among our youth movements and youth union members. For example, some of them have avoided going down to the grass roots, the countryside, and the mountanious regions. They do not want to go to the grass roots nor to leave cities and plains. Many phenomena displaying a lack of a sense of vigilance have also emerged among our youths. They have failed to clearly understand the subversive designs of the enemies and bad elements who have tried to create disunity and confusion among our youths, intoxicating and inducing them to work for them. A large number of our youths have been adversely affected by depraved cultures which do not conform to Lao traditions. These are some noticeble shortcomings in the movements of our LPRYU.

The party's correct line has become a decisive factor in our victory. The party always pays attention to upgrading its line, policies, and plans to conform to reality. It is also highly determined in trying to resolve all shortcomings in a timely manner. All this clearly testifies to the talent and clearcut responsibility of the LPRP in leading the entire people to firmly advance forward to attain our objectives.

To fulfill the orientation and duties outlined by the LPRP at this congress, on behalf of the LPRYU Central Committee and all LPRYU ethnic members throughout the country, I would like to express our determination to strive to consolidate and strengthen the unity among the multiethnic youths and to rally, together with the Lao people, around the LPRP. With our profound gratitude toward the party, the LPRYU Central Committee and LPRYU members pledge to firmly adhere to the objective of the revolution, to ardently participate in the cause of restructuring outlined by the party, to stand ready to answer all sacred calls of the party and the country at all times and under all circumstances, and to consolidate and build the organizational apparatuses of the LPRYU to become strong and firm politically, ideologically, and organizationally.

We are now and will continue to implement the party's restructuring through our own essence and activities which are in conformity with the new conditions. We will strive to extensively mobilize the youth movements and encourage all youths to pay attention to financial work by creating conditions to gradually become self-sufficient in accordance with the line of restructuring in the socioeconomic field outlined by the LPRP. We pledge to profoundly study the party's line of restructuring and to translate the resolution adopted at this congress into reality.

Trade, Industry Council Reveals New Policy

BK1204060891 Vientiane Domestic Service in Lao 0000 GMT 12 Apr 91

[Text] The National Council of Trade and Industry revealed a new policy on transforming management mechanisms at the 1990-1991 annual meeting held on 9 April with the participation of the representative of the United Nations Development Program in Laos; the commercial attaches of the SRV, the State of Cambodia, and the Kingdom of Thailand; and members of the council.

The council said that the Lao People's Democratic Republic has a policy to broaden domestic and foreign economic relations by implementing new management mechanisms, clearly separating the state management from business management, and utilizing all private and state economic sectors for promoting free and legitimate production and trading.

Decree on Creation of 'Decoration of Honor Medal'

BK1204044491 Vientiane Domestic Service in Lao 0000 GMT 12 Apr 91

[Text] Recently, the Supreme People's Assembly [SPA] Standing Committee of the Lao People's Democratic Republic [LPDR] issued a decree on the creation of the Decoration of Honor Medal.

The decree said: With reference to Law No. 404/SSS/88 dated 19 April 1988 on the SPA of the LPDR and Recommendation No. 21 dated 19 March 1991 made by the Council of Ministers, the SPA Standing Committee has made the following decision:

Article 1: The Decoration of Honor Medal of the LPDR will be created with the following features:

1. The diameter of the medal is 3.8 cm
2. The medal is 30 percent gold and 70 percent silver, with a total weight of 50 grams.
3. The design of the medal is a shining star with rays radiating from the center. The medal is decorated with rice ears in bas-relief along its edge. The phrase "Decoration of Honor Medal" is written on the lower part of the medal.
4. The medal is attached to a light blue silk ribbon for hanging.
5. In addition to the ribbon, a blue silk sash with [word indistinct] stripes will be created to be awarded along with the medal.
6. There is only one category and class of the Decoration of Honor.

Article 2: The Decoration of Honor Medal is the highest order of the LPDR which is to be conferred on leaders of friendly countries who have carried out virtuous deeds in promoting friendly relations and cooperation with the LPDR.

Article 3: The Council of Ministers is authorized to produce the said medal.

This decree becomes effective on the day it is signed.

Philippines

Manglapus, Singapore's Goh To Discuss U.S Bases

HK1104050691 Manila PHILIPPINES NEWSDAY in English 11 Apr 91 pp 1, 2

[By Arthur Bariuad and Dionision Tubianosa]

[Text] Singapore Prime Minister Goh Chok Tong arrives this afternoon for a two-day official visit aimed at strengthening Manila-Singapore bilateral relations amid early signals that the Singaporean premier will reiterate his government's support for the continued stay of U.S. military installations in the country.

Singapore is the only member-nation of the Association of Southeast Asian Nations (ASEAN) which openly supports continued American military presence in the country and the Asia-Pacific basin. Singapore believes such presence would contribute to the overall security of the whole region to sustain its vibrant economic growth.

ASEAN groups the six noncommunist Southeast Asian countries—Malaysia, Brunei Darussalam, Indonesia, Thailand, Singapore and the Philippines—to further economic, political and cultural cooperations.

Goh will be briefed by Foreign Secretary Raul Manglapus, the chief Philippine bases negotiator, on the progress of the ongoing Philippine-American Cooperation Talks (PACT) and the country's stand over the fate of important U.S. defense outposts here. Informed sources said that Goh himself requested for the bases talks briefing.

The Philippine government in turn will seek Goh's guarantee to support the extension of the bases' stay by availaing itself of the bond issue to be floated by the Philippines as part of its comprehensive debt-reduction program.

Diplomatic sources said that the Philippine and Singapore governments will formally discuss the mechanism of the bond issue scheme proposed by the Philippine bases panel as part of the compensation package for a new bases treaty. The Singapore government had earlier agreed in principle to support the bond flotation plan.

Under the bond issue plan, the Philippine government would issue bonds with U.S. guarantees in the international financial markets at lower rates whose proceeds will be used for the debt-buyback scheme. The bonds will be primarily offered to Asia-Pacific nations availing of the security umbrella provided for by the U.S. military installations here.

President Aquino during the ASEAN Summit in Manila in 1987 called for ASEAN to share the burden of hosting the U.S. military installations. Late last year, Singapore, heeding the call of Mrs. Aquino, signed a treaty with the U.S. allowing the U.S. Air Force to use its military facilities.

Manglapus said that the scheme would put into force the burden- sharing formula brought up by President Aquino in keeping the U.S. bases in the region. However, the U.S. has yet to agree on the mechanism of the proposal.

Goh's visit here, his third ASEAN swing, will also be part of his "familiarization tour" of the member-countries of ASEAN. The Singapore premier had visited Indonesia and Malaysia last December shortly after he succeeded Lee Kuan Yew to the post. Goh, 49, was Singapore's Deputy Prime Minister before assuming the city- state's top position. Goh will be in the country until April 12.

President Aquino will receive the visiting head of state at the new Executive House grounds will full military arrival honors before the formal courtesy call by the Singaporean prime minister on the President.

Trade and Industry Secretary Peter Garrucho said that there exists a trade imbalance between Singapore and the Philippines, but the "idea is to talk about investments, investment opportunities which maybe the Singapore private sector and government can take advantage of."

Labor Secretary Ruben Torres, on the other hand, revealed that the Philippine government have been discussing labor issues through the embassy in Singapore and "probably we can arrive at some broad principles on how we could improve the situation of our workers in Singapore and how we can help our workers who are reportedly having problems with their employers."

Torres revealed that Filipino workers in Singapore number about 50,000 as reflected in the government's registry. This number does not include illegal workers.

Goh Chok Tong Urges Retaining Bases

HK1204051091 Manila PHILIPPINE DAILY INQUIRER in English 12 Apr 91 pp 1, 12

[By Danny Petilla]

[Text] Visiting Prime Minister Goh Chok Tong of Singapore yesterday urged the Philippines to allow the United States to keep its military facilities to preserve the region's security.

"The presence of U.S. bases in your country plays a major role in maintaining regional peace and stability," Goh said at the testimonial banquet hosted by President Aquino at Malacanang. "While we explore the possibilities of alternative security arrangements, we should not abandon tried and tested formulas for regional stability."

Goh, who arrived in Manila yesterday for a two-day visit, said the decade holds much promise for member countries if the Association of Southeast Asian Nations would cooperate on political and economic security arrangements. "The region will experience tremendous growth, provided the environment remains stable, individual countries continue their peaceful development paths and the open trading system does not fail," he said. He warned of dangers arising from disturbing existing security arrangements, saying that while "the Cold War has ended and superpower relationship improved, regional conflicts can upset world peace and stability."

Singapore strongly supports a continued U.S. security role in Southeast Asia and allows American vessels and aircraft to use its facilities.

Ms. Aquino did not touch on the bases issue during the dinner, but instead invited Singaporeans to invest in the Philippines and tap its vast labor market. "Singapore needs economic space overseas for its capital, and the Philippines is ready to provide this space," she said. "We are slowly transforming our countryside into industrial, urban-based economies that can serve your expansion needs."

But Goh said the Philippines should formulate economic policies that will attract investments and promote greater exports. He said the more successful economies were those that were "most prepared to meet competition head-on."

"They welcome foreign investments and emphasize exports. They do not shield domestic industries, for protectionist policies weaken, rather than strengthen, their economies," he added.

Earlier Goh told Ms. Aquino the presence of U.S. military forces contributes to the economic development of countries in Southeast Asia.

Ambassador Romualdo Ong, DFA [Department of Foreign Affairs] director general for Asia-Pacific Affairs, said Ms. Aquino briefed Goh on the status of the bases negotiations, "but only on broad terms."

Ong told reporters the two leaders discussed regional and global security issues, including the role of U.S. forces in the region.

"He (Goh) made the point that the contribution of the United States to regional stability has enabled the countries like Singapore to embark on their development programs," Ong said. Before ending his visit today, Goh is scheduled to meet with Cabinet officials.

Finance Secretary Jesus Estanislao is expected to ask for Singapore's support for the Philippines' debt reduction program by buying bonds to be issued by the government.

Philippine labor officials plan to ask Singapore to consider recriting Filipino workers through the Philippine Overseas Employment Administration (POEA).

Labor Secretary Ruben Torres said he will also take up with Goh the working conditions of Filipinos employed in Singapore.

He said he will ask the Singaporean government not to issue work permits to Filipinos unless their work papers are processed by the POEA so that Philippine officials can protect them.

Singapore allows foreigners entering as tourists to work. Majority of some 55,000 Filipino workers there, mostly domestic helpers, were able to secure work permits after arriving as tourists. Last year, cases of abuse and maltreatment of Filipino maids were reported, promoting Philippine officials to consider banning the deployment of workers in Singapore.

Manglapus Denies Panel Delaying U.S. Bases Talks

HK1204071791 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 12 Apr 91

[Text] Foreign Affairs Secretary Raul Manglapus strongly denied that the Philippine panel is deliberately delaying the current bases negotiations in order to obtain a bigger compensation package from the United States.

Secretary Manglapus explained that the negotiation between the two sides is being delayed because the issue of compensation for the retention of the U.S. bases in the Philippines has not yet been resolved. Secretary Manglapus complained about not receiving a response from chief U.S. negotiator Richard Armitage regarding the former's letter stating the Philippine proposal on the compensation issue. Secretary Manglapus, however, expressed the belief that his proposal would gain support from American legislators.

Salonga: Bases Consultation 'Should Be Binding'

HK1204070991 Manila PHILIPPINE DAILY INQUIRER in English 12 Apr 91 pp 1, 12

[By Nimfa U. Rueda]

[Text] Senate President Jovito Salonga yesterday said the proposed national consultation on the fate of the U.S. military bases in the country should be held before any bases treaty is signed by the Philippines and the United States. The consultation, he said in a forum organized by Malacanang reporters, should be binding on the government.

Meanwhile, Foreign Secretary Raul Manglapus blamed the Americans for the delay in the forging of a new bases treaty and warned that the US bases have to be dismantled starting September if the deadlock on two key issues—compensation and duration—is not resolved.

In proposing a national consultation on the bases before the signing of a bases treaty, Salonga presented a new position on the bases referendum urged by President Aquino and speaker Ramon Mitra. Both Ms. Aquino and Mitra had proposed a non-binding referendum on the bases after the signing of the treaty but before the ratification of the treaty by the predominantly anti-bases Senate. Most senators had rejected the proposal and one senator described the referendum as an attempt to blackmail the senators into ratifying the treaty.

Salonga also urged the Philippine panel to change its approach and stop showing its cards to the U.S. panel in negotiating the thorny issues of compensation and duration. "Ordinarily, you'd keep your cards close to your chest. This is the only country in the world where negotiators are negotiating through the newspapers," Salonga said.

"The Filipino people would like you (the Phiippine panel) to negotiate for our best interests. Do not show your cards to you counterparts across the bargaining table."

"If I were President Aquino, I would first consult the people who need to be consulted and not sign it before consulting them," Salonga told a forum organized by the Malacanang Press Corps at the Fisherman's Wharf in Ermita.

Salonga also said Malacanang's plan to hold the consultation before submitting the treaty to the Senate for ratification was "aimed to embarrass the senators." He indicated that the people are not ready for a consultation since many of them are still not well-informed on the bases issue.

"Kung talagang gusto natin ang national interest, konsultakin muna natin ang nakakaalam, sapagkat hindi naman lahat ng tao nakakaalam," [If we are really concerned with the national interest, let us first consult those who are knowledgeable, because not everybody is knowledgeable] Salonga said. He said the public, for instance, is not aware of such crucial points in the bases issue as the "piggyback" arrangement and the non-inclusion of a provison banning nuclear weapons.

Salonga said at least 14 senators were opposed to the "piggyback" arrangement, under which other countries will have access to the Crow Valley training range in Tarlac without entering into a separate military bases agreement with the Philippines. He said that the consultation would also be useless if the government would make it non-binding. "If it is not binding, then why are you going to hold consultations at all?" Salonga said.

Manglapus told a news conference yesterday that if both sides remain deadlocked on the issues of duration and compensation, the U.S. must withdraw from the bases by September. The Philippines wants $825 million a year for seven years but the U.S. is offering only $320 million annually for 10 to 12 years. A compromise formula still has to be worked out by both panels.

"We are as anxious as the Americans to conclude a treaty. But I think the President herself has taken the position that while she wants a treaty, it will not be a treaty at any cost," Manglapus told reporters.

Manglapus said he has received "reliable information" that most members of the U.S. Congress have seen the merits of the Philippine compensation position after he briefed them during his Washington visit last February. He said the Philippine panel has done its best to finish the talks as soon as possible. He said U.S. legislators "were generally found to be reasonable" unlike the U.S. panel which has not reacted positively to Philippine proposals.

Manglapus said he could not understand why U.S. negotiators led by Richard Armitage could not appreciate the Philippine position when the U.S. Congress's response was favorable. He said he had written Armitage asking for a more definitive reaction on Philippine compensation proposals and the actual date of the resumption of bases discussions but to no avail. Manglapus said he has no idea when the talks would resume although the U.S. embassy in Manila has been saying that it would be late this month.

Also yesterday, Admiral Edward Baker, U.S. negotiator for defense issues in the bases talks, returned to Washington after days of negotiating with his Philippine

counterpart, Defense Undersecretary Feliciano Gacis. Manglapus said that although some progress have been made on defense-related issues, Baker will no longer stay in the U.S. panel during the next round of talks as he has been appointed planning officer at the Pentagon.

On the Philippines plan to float bounds to be used to retire part of its $29-billion foreign debt, Manglapus said the government will package this in a way that wil not discourage prospective buyers who may be against the presence of U.S. military bases in the country.

"The bond that has been designed is not going to be called the bases bonds because there are other countries that are allergic to such a thing for constitutional and political reasons," Manglapus said. He said the Department of Finance will be in charge of the bond flotation scheme.

Regional Security, Aid Top Talks With Canada

HK1104123091 Manila BUSINESS WORLD in English 11 Apr 91 p 8

[By Jose G. Ebro]

[Text] Regional Security and Canadian development assistance to the Philippines topped the discussions yesterday between Foreign Affairs Secretary Raul Manglapus and visiting Canadian Minister for External Relations and Development Monique Landry.

A senior foreign affairs official said Mr Manglapus briefed Ms Landry on his initiative for a dialogue on regional security. The Canadian official "pointed out that Canada instituted a parallel initiative among the countries of the North Pacific," the DFA [Department of Foreign Affairs] official said. In fact, Canada hosted a conference on the matter in Victoria last Easter at which both North and South Koreas were represented.

In regard to Canadian development aid, traditionally channeled through nongovernmental agencies, the Philippines is seeking widened coverage to include agricultural and rural development projects administered by Government.

Under the Canadian International Development Agency's [CIDA] Industrial Cooperation Program, increased Canadian investments in the Philippines could be facilitated. The Philippines is asking CIDA to fund investment promotions seminars to be conducted in major Canadian cities to increase awareness of the Philippines' potential. While investments of C$909 million make Canada the 15th largest investor in the country, its share of 0.20% of total capital inflows is seen as "nominal."

In the light of the impending North American Free Trade Zone, the Philippines, sources said, has requested Canada to broaden the coverage of products given preferential treatment under the Canadian Generalized System of Tariff Preferences. Philippine garments, for example, face high tariff rates (10% or more) into Canada.

Canadian official were sounded out on the possibility of working out an air services agreement which would provide direct air links between the Philippines and major Canadian cities. It is felt that such an arrangement would boost economic ties, particularly in the area of tourism, given the number of Filipinos now residing in Canada.

The issue of extraditing Arturo Pacificador and Dewey Dee was not discussed in the 45-minute meeting between the two officials, but a ranking DFA source said two Canadian officials "will be arriving soon" to discuss the implementation of the RP [Republic of the Philippines]-Canada Extradition Treaty recently ratified.

Aquino Begins 'Assessing' Presidential Hopefuls

HK1104044091 Manila MANILA BULLETIN in English 11 Apr 91 pp 1, 18

[By Fred M. Lobo]

[Text] President Aquino has started assessing presidential hopefuls from the administration ranks, based on a consensus from the grass-roots level, Pampanga Gov. Bren Guiao said yesterday after meeting with her on political developments.

Guiao, one of the top political advisers of Mrs. Aquino, said the President expressed concern about the strength of the so-called "presidentiables" from the administration camp and the Laban ng Demokratikong Pilipino (LDP) [Struggle of Philippine Democrats] party.

"She has indicated her desire to some leaders of LDP for a consensus coming from the grass-root level," Guiao said. Guiao added that Mrs. Aquino will use the consensus from the people as the moral basis for her support and presidential endorsement for the 1992 elections.

Among the top contenders, he said, are Defense Secretary Fidel Ramos, Executive Secretary Oscar Orbos, and Speaker Ramon Mitra Jr. Also being considered, he said, are Cebu Gov. Emilio "Lito" Osmena, Senators Alberto Romulo and Heherson Alvarez.

Meanwhile, Ramos said administration or Cabinet men planning to seeking the presidential endorsement or other elective posts will continue doing their job in the meantime. "We will continue in our jobs until we file our certificates of candidacy," Ramos said.

Abadia Appointment 'First Blow' to Fidel Ramos

HK1204070791 Manila PHILIPPINES NEWSDAY in English 12 Apr 91 p 10

["Turn of Events" column by Francisco S Tatad: "Ramos's Dilemma"]

[Text] Defense Secretary Fidel Ramos is in a fix. He has been hit hard by President Aquino appointing Army chief Maj. Gen. Lisandro Abadia as the new AFP [Armed Forces of the Philippines] chief of staff behind his back, and over the heads of senior officers like Maj. Gen. Guillermo Flores, vice chief of staff, and Maj. Gen. Alexander Aguirre, who has resigned as deputy chief of staff in protest. But he cannot afford to show any sign that he resents not having been consulted or informed beforehand. He is obliged to show a happy face when Abadia takes over the AFP command today from Gen. Rodolfo Biazon.

For Ramos to show resentment over the way Abadia's appointment was decided and announced in his absence is to openly challenge the President and Commander-in-Chief, and invite swift delivery of the impending coup de grace. The Abadia appointment is clearly part of a political initiative to disable Ramos's presidential ambitions: a clear signal that, contrary to any previous indications, he will not get the support Mrs. Aquino was earlier believed disposed to give him.

Ramos obviously correctly read this. When Abadia's appointment was announced while he was in Japan, he immediately saw where he stood with the President. The slightest remonstration on his part would have prompted Mrs. Aquino to swiftly sack him as defense chief, and he wasn't (isn't) quite ready for that. He needs to stay on for obvious reasons, until he files his certificate of candidacy, assuming the May 1992 elections are not ultimately overtaken by events. He needs to buy as much times as he can, to be able to organize his campaign using the resources of the Department of National Defense.

And the only way to buy time and stay the impending blow is for him to assure Mrs. Aquino that he can live with a new chief of staff who was not part of his original team and who will not be under his direct influence. This is precisely what he has done.

Aside from assuring the media that he finds no impropriaety or unfairness in the Abadia appointment, he has now asked Aguirre to stop his denunciation of it, saying it might be exploited by the military underground to destabilize the government. What has obviously escaped the usually alert mind of the good general is that Abadia's controversial appointment, not Aguirre's angry response to it, is the divisive thing that the rebels could exploit to justify any possible military initiative against the government.

At the same time, in an obvious effort to reassure his own boys that he has not completely abandoned them, Ramos asks Malacanang to inquire into Aguirre's charge that politics crept into the Abadia appointment. But this is immediately shot down by Executive Secretary Oscar Orbos, who asks that this recommendation be put in writing.

From all this, we see that the bigger political play does not involve Abadia and Aguirre or Flores, but rather Mrs. Aquino and Ramos. At bottom, what is at stake is the presidency, not the position of chief of staff. Despite their mythical closeness to each other, the President seems driven by an inherent fear of her defense chief; her problem is how to terminate the existing relationship and sideline the general politically, without endangering herself in the process.

And despite all of her statements to the contrary, her apparent game plan is to run again in 1992, if the elections are held as scheduled and the Supreme Court does not bar her for having already served the full six years (plus a few months) of what is supposed to be a single-term presidency. If for any reason she ends up not running, she will surely be running a surrogate or proxy, and this obviously cannot be and will not be Ramos.

Mrs. Aquino is a woman of no mean amount of cleverness and craft—we saw this in her fight with Marcos. And since 1986 she has played an opportunistic game with Ramos with the sort of consummate skill we have not seen at work in her conduct of government. But there is no sign she wants to go on playing the same game much longer. She may have convinced herself that this is a moment of weakness for Ramos, time to call it quits with the man who turned against his boss for 20 years, and who had slain all seven mutinies and coup attempts against her.

With this motive in mind, Malacanang (or more accurately Jose Cojuangco building) encouraged Ramos to seek admission in the ruling LDP [Struggle of Philippine Democrats] so that his presidential bid could be demolished right there and then by the Peping Cojuangco-Ramon Mitra combination, in favor of the undisclosed choice of the administration.

But Ramos saw the trap in time. A day after he announced his application for membership in the ruling party, he launched his own United People Power Movement which threatened to convert itself into a political party should he fail to get the LDP nomination. And to show the Palace that he was the man in control, he launched his first diplomatic sortie by traveling to Japan where he met with ruling LDP officials.

In so doing, he became the first and only presidential aspirant with a foreign policy initiative. This made his claim to the LDP nomination a very serious affair. He had to be stopped there and then. Abadia's appointment was the first blow. The next one is going to be harder.

Paper Reports on Army Change-of-Command Ceremony

HK1204073591 Manila MANILA BULLETIN in English 12 Apr 91 pp 1, 18

[By Wilma N. Yamzon]

[Text] Outgoing Armed Forces chief of staff Gen Rodolfo Biazon appealed to soldiers yesterday to uphold professionalism and promote unity in the military.

During the Philippine Army change of command ceremony at Fort Bonifacio, Biazon told Army men that they should let national interest prevail over personal concern.

In simple rites, Brig Gen Arturo T. Enrile, former superintendent of the Philippine Military Academy (PMA), formally took over the post vacated by designated Armed Forces chief of staff, Maj Gen Lisandro Abadia, as commanding general of the Army.

Biazon urged soldiers to support Enrile, as the new Army chief, to achieve the goals of the AFP [Armed Forces of the Philippines]. "There is no room for half-heartedness, doubts, and misguided ideals where the interests of the country is concerned," he said, adding: "There are no shades of grey in terms of unity, commitments, and loyalty to the Constitution."

Biazon said Abadia, who is assuming the military top post, is met with too much sensationalism and controversy. It is drawing too much attention away from the real problems of the country, he said. The AFP's primary concern now is to sustain the momentum achieved in its counter-insurgency campaign and the defeat of the ultra-rightist forces, Biazon said.

The recent bombing activities in metro Manila could be traced to the Ultra-rightist group "to heighten an already heated condition." He said the Army must instead attend to enhancement of soldiers' morale and justice system as well as the preservation of democracy. What transpired in the military was "only a change of personality at the helm, but not a change in its committed goals that bind the Army as one solid fighting unit," Bizon said.

Meanwhile, Enrile urged the soldiers to sacrifice their personal freedom and willingly allow themselves to be subjected to the discipline and regimentation of the military service for the good of the country.

Enrile said all their expectations become even more important and crucial presently, considering the sensitive role of the AFP. He stressed that love of country should be the bottomline. "The soldier for himself will be contented if he receives his salary on time and raise a family. But a soldier for others is one who commits his life to the greater interest of the people," Enrile said.

On the other hand, Abadia assured soldiers of the continuity of the programs and reforms being undertaken in the Army. He said the new Army leader is undoubtedly capable of motivating the men in the field, revitalizing the command, and restructuring the forces.

Column Views Biazon's Career, Modernizing AFP

HK1004064991 Manila THE CHRONICLE in English 10 Apr 91 p 4

["On the Other Hand" column by Antonio C. Abaya: "Gen. Biazon and the New AFP]

[Text] On April 12, Gen. Rodolfo Biazon relinquishes his position as AFP chief-of-staff and retires from military service after a most distinguished career. Although his tenure at the top was brief, lasting only four months, it was nevertheless momentous, marked as it was by the capture of some of the most prominent leaders of the Radical Left and the Fascist Right.

Gen. Biazon ends his military career as the soldier most beloved by the Centrist majority, not only for his consistent and eloquently articulated commitment to constitutional democracy, but also for his impeccable military bearing, his dashing good looks and his disarming modesty. Add to that his authentic humble beginnings: his father was a baker, his mother was a washer woman. Gen. Biazon has more impressive proletarian credentials than the entire central committee of the Communist Party put together.

No wonder four political parties have been courting him with offers of elective positions, from mayorship of Makati to the Senate. In my opinion, Makati is too small for a man of Gen. Biazon's stature. And an action-oriented person like him would be wasting his time and talents in a debating society like the Senate.

Gen. Biazon would be more useful to the Republic as vice- president with a concurrent Cabinet position. He could be the added vice-presidential weight that will tip the scales and ensure the victory in 1992 of Fidel Ramos or Miriam Defensor Santiago or Lito Osmena.

In our 'Options' interview over Channel 2 last March 25, Gen. Biazon told us that the most difficult moment in his military career came in December 1990 when he had to defend Camp Aguinaldo. Not only was he forced to order fire agianst some of his own men, he was, for the first time in his life as a soldier, on the receiving end of aerial bombardment, artillery fire and armor attacks. But his most shining moment came, in my opinion, after the fighting had died down and the rebellion was quashed. While others in the military organization understandably basked in the glory of victory, Gen. Biazon was visibly overcome by the underlying tragedy of it all. The strong man was at his strongest when his humanity was touched and he shed tears over the human condition.

With the creation of the Philippine National Police, the AFP is withdrawing from counter-insurgency and will henceforth concentrate on building its capabilities for external defense. This is a tall order for which the AFP has little or no resources. But steps must be taken in this direction in anticipation of eventual U.S. withdrawal from Philippine territory.

The new AFP plans to spend P [Philippine pesos] 140 billion over the next 10 years to put the Philippine Navy and the Philippine Air Force on par, or at least in a position to catch up, with our ASEAN partners. Among the ASEAN countries, the Philippines spends the least for defense, both in absolute terms and on a per capita basis.

Initial steps have been taken to correct this anomalous situation. A contract has been signed with the Agusta company of Italy for the local assembly of 18 SIAI-Marchetti S-211 jet trainers, to be paid for partly with Philippine export products on a barter or countertrade basis.

The Philippine Navy has ordered 35 small (28-meter) fast patrol craft, five of which will be built in the U.S. and the rest in Philippine shipyards. There are also plans to build five Australian-designed patrol frigates in joint venture with a Philippine yard.

For its part, the Philippine Army has forged a deal with a British company to locally manufacture 142 Simba amphibious armored fighting vehicles, variations of which are designed for different duties: troop carrier, mortar carrier, anti-aircraft, antitank, and self- propelled artillery. These initiatives for local manufacture of military equipment should have been taken years ago and incorporated into a master plan for industrialization, as the Indonestians and the Indians have successfully done.

In 1989, as a guest of the Indonestian government, I was taken on a tour of the industrial base of Indonesia, including defense-related industries such as the aircraft factory in Bandung and the naval shipyards in Surabaya. Indonesia is way ahead of the Philippines. These facilities are not mere asembly plants that put together imported components, as our putative defense industries are.

The Indonesians fabricate helicopters and fixed-wing aircraft from aluminum slabs, using state-of-the-art computerized (CAD- CAM) technology. The Nusantara aircraft facility in Bandung has attained such a high level of efficiency and professionalism that it has won contracts to fabricate components for the Boeing 737 and 767 airliners, the McDonnell-Douglas F-16 Fighting Falcon Fighter-bomber (widely used during the Gulf War), the European Airbus A300 series airliners, and British Rolls-Royce aircraft engines.

The PAL [Philippine Air Lines] naval shipyards in Surabaya fabricate 3500-ton oil tankers and 3000-ton container ships for the state-owned oil and shipping companies. It also manufactures jetfoil troops transports, 28-meter and 57-meter fast patrol craft for the Indonesian Navy. Starting in 1992, the expanded shipyards will also build for the Navy 600-ton mines weepers, 2500-ton frigates and 1200-ton submarines.

To achieve economies of scale and enhance regional security in the face of reduced presence of the Americans, the Philippines would do well to enter into a complementation agreement with Indonesia, wherein we would concentrate on certain types of military equipment, the Indonesians on others, for sale to each other and to the rest of ASEAN and the world. That would fit in nicely with the modernization of the new AFP.

Authorities Call For 'Full-Scale' Marag Offensive

HK1204074391 Manila MANILA BULLETIN in English 12 Apr 91 p 14

[By Jerry Lacuarta]

[Text] Camp Servillano Aquino, Tarlac—Military and police authorities have recommended the full-scale implementation in Northern Luzon of the "Lambat Bitag [Net Trap]" an operation aimed at clearing New People's Army (NPA) rebel-infested areas in the country by 1992.

This developed as an official of the Northern Luzon Command (Nolcom) said the operations in the Marag Valley in Kalinga-Apayao will continue until the area is cleared of NPA rebels. It is now the site of a large scale implementation of the "Lambat Bitag."

Officers of the Army, Navy, Marine, Air Force, and the Philippine National Police (PNP) based in Regions 1, 2, 3, and the Cordilleras recommended the full-scale implementation of "Lambat Bitag" in their respective area of jurisdiction during a recent Nolcom meeting here presided by Brig Gen Ernesto Calupig, Nolcom chief.

It was gathered that the Communist Party of the Philippines (CPP) and its military arm, the NPA are still in control of some towns and barangays in the Nolcom regions, particularly those situated in the mountainous areas. The Marag Valley, which is located in Luna town at the foot of Sierra Madre mountains, is one of those communities in the Nolcom area still under CPP-NPA.

The four stages in the implementation of "Lambat Bitag" operation are the clearing, the mopping-up, the consolidation, and the development. The first two will be undertaken by the military and police operatives while the consolidation and the development by the civilian authorities establishing livelihood projects and other means geared towards the socio-economic and political life of the people.

Lt Col Samson Almares, Nolcom spokesman, said that the timetable has been set for June for the clearing of Marag Valley of the NPA rebels, numbering about 1,000. He said there are two Tora-Tora planes, and helicopter gunships that are strafing and bombing the valley while a reconaissance aircraft operates at night to monitor the movement of the rebels with the use of infrared.

Almares said that their operations are being hampered by the presence of civilians, mostly Isneg and Agaay natives, who have refused to leave the place despite repeated appeals done through leaflets and dialogues with their leaders. "It seems that to leave the place means death to them," he added. "We really do not intend to kill the rebels and the civilians with the use of guns." Almares said of the reports that the hundreds of civilians have died due to the operations. "That's why we've been telling the rebels to surrender and the natives to evacuate to avoid further bloodshed."

Almares stressed to newsmen that Marag Valley is under CPP-NPA control, having even established a "shadow government" there. He said it is also the center of NPA rebels' military operations in the Kalinga-Apayao and neighboring provinces. The Nolcom spokesman expressed the view that total control of the place by the rebels was made possible due to government neglect. "The government can be faulted in this regard," he said, but stressed that not all the people there are communists.

YOU Manifesto: 'Amateurs' Running Government

HK1204065791 Manila PHILIPPINE DAILY INQUIRER in English 12 Apr 91 p 6

[Text] Ultra-rightist military rebels yesterday said President Aquino's government is run by amateurs and should be removed.

"Change is inevitable, and it will come whether we like it or not, whether the time for is right or not," the dissident Young Officers Union (YOU) said in a manifesto published in a pro-opposition newspaper.

The manifesto came two days after Maj. Gen. Alexander Aguirre resigned as deputy Armed Forces chief in protest over Ms. Aquino's appointment of Maj. Gen. Lisando Abadia as the new chief of staff. Aguirre, Abadia's senior and a candidate for the top military post warned that the appointment might provoke unrest in the military.

YOU, composed of junior officers, is one of three factions in a rebel military coalition which nearly toppled Ms. Aquino in December 1989. YOU's manifesto said Ms. Aquino's mismanagement had brought the economy to the brink of collapse. "Our economy is prostrate—the clearest proof of this government's ineptitude. There is corruption and immorality wherever in government we look; amateurs run our public affairs today," it said. It added: "To effect change, therefore, it may be necessary to remove completely one factor ... the government. Only then can we halt the process of social and moral decay."

Government 'Firm' on Nine Percent Import Levy

HK1204075191 Manila THE CHRONICLE in English 12 Apr 91 pp 1, 8

[By Arleen Chipongian]

[Text] The Philippine government is standing firm on its decision to continue imposing the 9% across-the-board import levy, despite threats of retaliation by trading partners, Finance Secretary Jesus P. Estanislao said yesterday.

"The legal counsel of the Department of Finance has reviewed the levy imposition and it does not see this as a violation of the General Agreement on Tariffs and Trade (GATT). We are ready to defend it in any court," Estanislao said. The finance chief said GATT regulations are flexible and recognize that some member-countries pursue moves such as the imposition of an airport tax to help ease balance-of-payments problems.

Last year, the country incurred a payments' deficit of $183 million due largely to the huge foreign-trade gap of close to $4 billion. The trade imbalance last year could be attributed in part to the increase in the prices of imports due to the devaluation of the peso against the dollar and the increase in the oil prices to as much as $45 per barrel from 1989 levels of only $12-$134 per barrel following the Gulf conflict.

Estanislao said the import levy from the start was intended to be a temporary measure the government had to take to help raise additional revenues of P [Philippines pesos] 30 billion this year following the failure of Congress to pass new revenue measures. He explained that had the international community not understood that the levy was a temporary measure, the country would not have received support as indicated by the $3.3 billion in pledges from the second pledging session of the Philippine Assistance Program [PAP] as well as a new economic-stabilization program with the International Monetary Fund.

Earlier, IMF director Ulrich Baumgatner, who headed the fund mission that approved a new program for the Philippines, said the IMF, as well as other official creditors, was concerned about the levy and would like to see its phaseout because it was seen as a disincentive to investments and trade.

The finance chief earlier said any decision to reduce or eliminate the import tax will be made by September, or after the first formal performance review of the economy by the IMF in August under the new 18-month standby arrangement program availed of in February 1991. It was earlier reported that a two percentage point drop in the levy will mean a P14-billion revenue loss.

The phaseout of the import levy was one of several concerns raised by the international donor community in the recent PAP pledging session in Hong Kong.

Others included the elimination of the Oil Price "Stabilization Fund Deficit" limited to only P5 billion this year, the acceleration of the privatization effort, strengthening of the banking system and the continuation of a flexible exchange-rate policy.

Earlier, acting Trade and Industry Secretary Peter Garrucho wrote Estanislao that the continued imposition of the levy was seen as a violation of GATT agreements by member countries. Possible retaliatory moves such as the withdrawal of some concessions to the Philippines by its trading partners were raised with the continued imposition of the levy.

Foreign Exchange Liabilities Top $28 Billion

HK1104125091 Manila BUSINESS WORLD in English 11 Apr 91 pp 1, 5

[By Ma. Gertrudes M. Chavez]

[Text] The country's foreign exchange liabilities stood at $28.942 billion as of November 1990, higher by $1.326 billion from the Deember 1989 level, according to Central Bank [CB] data.

But compared with the previous month's level, the foreign debt tally was $92 million lower. Foreign liabilities last October amounted to $29.034 billion.

Medium- and long-term debts reached $24.581 billion or 84.93% of the aggregate figure while short-term loans totalled $4.361 billion or 15.07%. The National Government was the heaviest borrower at $17.928 billion; CB, $5.530 billion; and the private sector, $5.484 billion.

The bulk of the country's external debts, or 40.34%, was owed to commercial banks at $11.676 billin; bilateral sources, $8.797 billion; multilateral institutions, $5.924 billion; and other creditors, $2.545 billion.

A CB official attributed the increase in the foreign debt to revaluation adjustments or the appreciation of the creditor countries' currencies vis-a-vis the dollar. While the data did not indicate the amount of revaluation, the official siad this is one of the main factors for the perennial increase of the country's foreign debt. He cited the case of the Japanese yen which has considerably strengthened against the dollar last year. Japan is the biggest creditor of the Philippines, the official said. Also reflected in the November foreign debt tally was the buyback by Government of some $1.3 billion in external obligations at a 50% discount under what has been referred to as the Brady initiative. This was undertaken in January last year.

Another round of debt reduction moves will be implemented within the year, although the mechanics are still being firmed up with commercial bank and bilateral creditors. But just as Government is pursuing moves to reduce its foreign liabilities, the need to secure more foreign loans is still apparent in view of the current economic rebuilding process.

Thus, the estimated foreign debt level for the whole of 1990 is placed at $29.7 billion. For 1991, the foreign debt stock is projected at $31 billion and $33.2 million for 1992.

Thailand

'Secret' Air Raids Launched on Burma Drug Bases

BK1104133691 Hong Kong AFP in English 1304 GMT 11 Apr 91

[By Erskine McCullough]

[Text] Chiang Mai, Thailand, May 11 (AFP)—Thai fighter planes have launched secret air strikes against drug factories inside Burma under the control of drug kingpin Khun Sa, senior military officers said here on Thursday. They added that the attacks were carried out without consultation with the military junta in Rangoon.

The raids, made over a week ago by planes from the Thai Royal Air Force 41st Wing based near the border, are the first ever launched by the Thais against the Sino-Burmese drug warlord. According to sources the Thai decision to attack the world's biggest heroin trafficker was made after heavy pressure from U.S. Drug Enforcement Agency agents based in the country and determined to crush the man they have dubbed the "prince of death."

Major General Phonprasoet Chulasawek, head of Task Force 327 which patrols the area of the Thai-Burmese border used by the drug runners admitted that undercover American drug squad agents had pinpointed the heroin refineries. "We also had information from our own agents," he added.

The attacked bases, where millions of dollars worth of heroin is turned out to be shipped and then sold to addicts on the streets of major American and European cities, are several kilometers (miles) inside Burma.

Thai officials say they are still awaiting intelligence reports to see how successful the attacks were. "Once we get the intelligence reports we will be able to assess the full extent of the damage we have inflicted," said Maj. Gen. Phonprasoet. He added that further striks were planned but a major problem was posed by the fact that many of the refineries were mobile factories and their sites frequently changed.

The opportunity to carry out the attacks came when heavy fighting between rebels from the Wa, an ethnic minority in Burma, and Khun Sa soldiers, over control of the drug routes spilled into Thailand. Two Thais were killed and several others injured when a stray mortar landed in the Thai border town of Tha Ton last month.

The Thai military immediately began bombing and shelling the two sides to force them away from the border. "We decided it was a perfect moment to attack the refineries," said Maj. Gen. Phonprasoet.

"This opens up all sorts of new possibilities in the fight to try and put an end to Khun Sa," said one observer. But both the observers and the Thai military admit it will take more than a series of attacks against the heroin procesing factories to halt the "prince of death."

"Khun Sa will still be there in a year or longer but such attacks can at least disrupt his trade," said one observer.

The 56-year-old Khun Sa, who has been in the heroin business for 25 years, is responsible for supplying 70 percent of all the world's heroin. Indicted in the United States on drug trafficking charges, the chain-smoking Khun Sa has repeatedly vowed that he will never be

taken. His profit from drugs is estimated to be between 80 and 100 million dollars a year and caravans loaded with heroin are expected to be arriving at the border within the next few weeks.

AFP on Anti-Narcotics Cooperation With China

BK1104112891 Hong Kong AFP in English 2231 GMT 10 Apr 91

[Text] Bangkok, April 10 (AFP)—Bangkok and Beijing are cooperating to stem the flow of illicit opium and heroin from Burma and Laos, a senior Thai anti-narcotics official said Wednesday.

Chawalit Yotmani, head of Thailand's Narcotics Control Board, said Chinese law enforcement and agriculture officials had been here recently to consult with their Thai counterparts on drug trafficking suppression measures. "Lately China has been affected by the production of opiates and a lot of heroin has gone through that country to Hong Kong," he said, adding that large seizures in the past few years had worried Chinese authorities.

Burma and Laos, the biggest producers of illicit drugs in the golden triangle region that also includes Thailand, are believed to have increased cultivation of opium, the raw ingredient of heroin, over the past few years, he said. "We're concerned that more and more drugs could come through Thailand," he added.

Thailand, which has reduced its contribution to the world's black market heroin supply through suppression measures and programs to substitute opium cultivation for legal cash crops, has also offered narcotics suppression training and some technical assistance to Burma and Laos, he said. "In the region of the golden triangle there has been some progress with the three countries talking together in order to reduce the supply of opiates," he said.

Satellite photographs indicate however that Thailand still has an estimated 4,000 hectares (10,000 acres) of opium poppy fields, he said.

Paper Reports on Draft Anti-Narcotics Bills

BK1204053391 Bangkok BANGKOK POST in English 12 Apr 91 p 3

[Text] The drafts of two key bills to crack down on drug trafficking will be submitted to the Government within two weeks, chief of the narcotics Control Board Pol [Police] Lt-Gen Chawalit Yotmani said.

The proposed legislation includes seizing assets of drug traffickers and compulsory rehabilitation of drug addicts. The bills passed through the first readings in Parliament last June But with the Parliament now dissolved, "we had to start from square one again," said Pol Lt-Gen Chawalit. But he hoped the passage of these two important pieces of legislation would be quick this time. The bills will empower authorities to seize traffickers' assets and keep addicts in rehabilitation centres until they are cured. During the debate in June, MPs [members of parliament] from both benches of the House unanimously voted in favour of the bills.

Pol Lt-Gen Chawalit said drafts would be in the hands of legal expert Deputy Prime Minister Michai Ruchuphan within two weeks. After that they would be forwarded for Cabinet approval, then to the National Legislative Assembly.

Among the measures contained in the bills are:

—All unexplained assets and money in the bank, going back two years before the arrest, will be frozen and seized if someone is convicted of drug trafficking.
—All equipment, assets or vehicles used in the production or trafficking of drugs would be immediately seized.
—All seized assets will go to the state and be used for setting up a fund for the suppression of drug trafficking.
—A special committee headed by the Counter Corruption Commission Chairman and staffed by the senior juridical and other relevant officials will be set up to rule over the seizure of any unexplained assets belonging to alleged traffickers.
—A conspiracy clause empowering authorities to arrest anyone who conspires or plans to trade in narcotics as well as to seize their property and assets.

"The present government is very serious about this issue, especially Deputy Prime Minister Phao Sarasin, our former police chief," he said. The anti-narcotics authority chief emphasised that the passage of these bills is crucial to effective suppress an activities and will enable authorities to penalise the "big fish" instead of couriers and traffickers.

Touching on the situation in the Golden Triangle, Pol Lt-Gen Chawalit said Burma, Laos and China have recently been engaged in talks about cooperation to reduce opiate supplies and trafficking in the region. Recently public security and agricultural officials from China visited Thailand for talks on law enforcement and crop substitution activities.

"Lately China has also been affected by opiate production, and China has become a new transit centre of drugs to Hong Kong. Until 1991, 500 kilogrammes of products were seized through China, and China is quite worried," he said. Intercepting drug supplies along the vast stretch of border in the Golden Triangle region and China posed an "impossible task."

On Thai-Burmese cooperation, Pol Lt-Gen Chawalit said Thailand offered assistance for the use of satellite photographic devices to verify poppy fields at a recent round on anti-narcotics cooperation talks between Thai and Burmese officials in Chiang Mai. The Burmese did not respond to the ofer. They said it was beyond their mandate for that particular round of talks but the message would be conveyed to Rangoon.

Commerce Minister Warns U.S. on Trade Action

BK1204063391 Bangkok BANGKOK POST in English 12 Apr 91 p 13

[Text] Commerce Minister Amaret Sila-on gave a strong warning yesterday that the United States would no longer be a "real" friend of Thailand if it designated the kingdom a priority foreign country subject to trade retaliation under Special 301 provision of the US Trade Act.

"Such a decision would bring about negative consequences to both countries," the minister said after reading yesterday's BUSINESS POST report that the USTR [U.S. Trade Representative] had decided to place Thailand in the priority foreign country category. He said the USTR report was not yet final and believed Thailand would not be upgraded to a designated country in the priority foreign country list, subject to trade retaliation by Washington.

The minister said Thailand already had reported progress on several trade issues, including patent law and enforcement of copyright law. He said the draft amendment of the Patent Act B.E. [Buddhist Era] 2522 was almost complete and should be tabled with the National Legislative Assembly for final endorsement this year.

As far as copyright law enforcement was concerned, Mr Amaret said the previous Thai-US meeting in Los Angeles was about to bear fruit, with recent police raids on several pirate firms violating US copyright. "We were now aiming for the big ones and this must take some time," he said. "Washington already has two guns aimed at Thailand and they don't need the third one."

He was referring to two petitions filed by the US copyrighted industries and research-based pharmaceutical industry against Thailand for alleged breach of intellectual property rights protection. The petitions by the two industry groups—the International Intellectual Property Alliance (IIPA) and the Phramaceutical Manufacturers Association—have prompted ongoing investigations against Thailand under the regular 301 provision. The two groups were reported to support the identification of Thailand as a priority country.

Minister of the PM's [Prime Minister's] Office, Phaichit Uathawikun, said Washington should relax its firm stand on the issue, given the fact that Thailand had made several concessions for the US, including the aviation issue where American airlines were permitted to maintain their flight frequencies to Bangkok. "They should not make a hostile approach like this," he said.

The announcement of the results of the Special 301 annual review was expected to be made on April 26. Eleventh-hour lobbying was reported to be carried out by the Thai Foreign Ministry and the Thai Embassy in Washington to change the USTR's decision. The Commerce Ministry was also said to be studying all the ramifications of the designation in the event that lobbying efforts fail.

Group 'Successfully' Raids Copyright 'Pirates'

BK1204064791 Bangkok BANGKOK POST in English 12 Apr 91 p 13

[Text] A working group set up by the Economic and Finance Crime Suppression Centre over a year ago claims to have cracked down successfully on intellectual property rights piracy.

The centre's trade and commercial investigation deputy-superintendent, Pol [Police] Lt-Col Ratawit Saentawisuk, said foreign trademark owners as a group had filed a lot of petitions with the centre asking it to take legal action against people violating their rights.

Last year the centre set up a special working group to handle complaints of copyright, patent and trademark piracy in an effort to suppress this activity. The centre has carried out raids on more than 1,000 suspected pirates since February last year and a special task force has raided 15 companies suspected of copying trademarks in Bangkok and the provinces. Eight of the suspected trademark violators were leathergoods producers, four watchmakers and three garment producers.

Pol Lt-Col Ratawit said successes in cracking down on trademark violations were based on the close cooperation of the centre and foreigners lodging complaints. He said more than half of trademark violators had stopped their operations, especially those involved in leathergoods and garment production.

Pol Lt-Col Ratawit said the Government was not ignoring intellectual property rights laws, but the owners must go through the proper channels if they wanted any action taken. He also said the centre had raided five companies suspected of being major video tape pirates based on petitions from CVD Co and Cineads Video Co, the local representatives of American video tape producers.

Pol Lt-Col Ratawit said the five factories may not have been the country's largest pirates, but they would serve as a warning to others to stop their activities. The centre is now waiting for the International Federation of the Phonographic Industry to seek its support in raiding suspected music tape pirates. He said the centre now had the evidence to raid suspected pirates, but the copyright owners must be prepared to cooperate.

"It would be a big disappointment for the centre and the Thai Government if Washington decided to make Thailand a priority country for Section 301 reprisals," he said.

SRV Minister Due 19-24 Apr for Talks on Summit

BK1204013191 Bangkok THE NATION in English 12 Apr 91 p A4

[Text] Vietnamese Vice Foreign Minister Le Mai will visit Thailand from April 19 to 24 to discuss with senior Thai officials preparations for a planned first summit

between the prime ministers of both countries, Foreign Ministry spokesman Sakthip Krairoek said yesterday.

Sakthip said during the visit, Le Mai would hold discussions with the minister's Permanent Secretary Witthaya Wetchachiwa on the planned summit and also a pre-summit visit to Vietnam by Foreign Minister Asa Sarasin. Le Mai would also pay a courtesy call on Asa. Other issues to be discussed were the Cambodian problem and the international situation, according to Sakthip.

The summit, initiated by former Premier Chatchai Chunhawan was originally scheduled for March but was postponed because of the coup against the Chatchai administration.

It was the second postponement during the Chatchai administration. The first postponement was at the request of the Vietnamese who wanted the summit to be held in March instead of December last year. Informed sources said the summit could be held after the scheduled Vietnamese Communist Party congress in June, at the earliest.

During the visit the two leaders are expected to sign three bilateral agreements regarding trade and investment protection, the avoidance of double taxation and exploration for oil and natural gas in the overlapping territorial waters.

Vietnam Urged To Uphold Commitment on Refugees

BK1104145891 Bangkok Domestic Service in Thai 1200 GMT 11 Apr 91

[Text] Suwit Sutthanukun, secretary general of the National Security Council, told newsmen during an interview at Government House this afternoon that authorities had explained to Vietnamese refugees at Phanat Nikhom holding center in Chonburi Province about the transfer to another center. The Vietnamese refugees at Phanat Nikhom recently staged a protest against repatriation.

The Vietnamese refugees had been told that there had to be a reclassification of the refugees at the center to separate those who are qualified for resettlement in third countries from those who are to be repatriated to Vietnam. Also owing to the overcrowded situation at Phanat Nikhom, some of the Vietnamese refugees at the center will be transfered to Si Khiu center in Nakhon Ratchasima Province. The secretary general of the National Security Council said that the Vietnamese at the center now understand the situation. He said that Vietnamese boat people arriving in Thailand will, from now on, be screened to see if they are qualified for the status of refugee. There are about 200 Vietnamese boat people arriving in Thailand each month. Thailand gives shelter to those refugees in compliance with its commitment. Thailand therefore wants Vietnam to uphold its commitment and take back the refugees to be repatriated. Thailand has been urging Vietnam to take more Vietnamese under the repatriation program, but Vietnam said it would take only those who volunteer to return. Thailand, he said, is trying to pressure Vietnam to uphold the commitment and be fair with Thailand.

Lao Ministers To Visit 17-19 Apr, Honor Princess

BK1204022191 Bangkok THE NATION in English 12 Apr 91 p A1

[By Kunlachada Chaiphiphat]

[Text] HRH [Her Royal Highness] Princess Maha Chakkri Sirinthon will receive the Lao government's highest award, the "decoration of honour" in recognition of her contribution to promoting Thai-Laotian relations, Foreign Ministry's spokesman Sakthip Krairoek said yesterday.

The princess will be the first foreign dignitary and the second person after Laotian President Prince Souphanouvong to be awarded the gold medal called Lian Kham. Even dignitaries in communist countries had been so far given only the second-class decoration of Lian Sai Dao Kham, said Sakthip. Sakthip described the Laotian move as showing the great importance the communist country attached to Thailand and a good sign of the growing strength of bilateral ties.

The princess led a Thai delegation on a visit to Laos in March last year, the first by a member of the Thai Royal family in recent times. It was regarded by Laotian leaders as a significant step in forging closer ties between the two countries after both sides fought a brief but bloody war over a disputed area straddling Lao's Sayaboury province and Thailand's Phitsanulok province in 1987-1988. Sakthip said the ministry was informed that the gold medal would be specially designed with diamonds or sapphires to reflect the status of the princess.

The spokesman said Laotian Deputy Prime Minister and Foreign Minister Phoun Sipaseut would visit Thailand from April 17 to 19 to present the decoration to the princess at a ceremony to be held at the Chitlada Palace on April 17. He said the Royal Private Secretary informed the Laotian government that the princess had already agreed to accept the honour, and after the ceremony would host a dinner for Phoun and his delegation.

Phoun would also hold discussions with Foreign Minister Asa Sarasin on bilateral cooperation, especially the Thai foreign policy of giving priority to tightening ties with Laos' neighbouring countries, among other matters, according to Sakthip.

Informed sources said both sides would also follow up on the agreements reached between Army Commander in Chief Suchinda Khraprayun and Laotian leaders on restructuring the existing Thai-Laotian Committee on Joint Policy Implementation and on the ways to promote trade and investment between both countries. The sources said other issues to be discussed were cooperation on settling the boundary dispute at Ban Rom Klao

and the repatriation of Laotian refugees residing in camps along the Thai border.

Recently the Foreign Ministry had proposed increasing the Thai assistance package to underdeveloped countries in Southeast Asia from Bt [baht] 13 million to Bt200 million, half of which would go to Laos.

Meanwhile, Laotian Deputy Foreign minister Souban Salitthilat yesterday made an informal call on Asa on his way to Laos from Seoul where he attended the Economic and Social Commission for Asia and Pacific's 47th general annual meeting.

Asa hosted a luncheon for Souban at the Princess Hotel which sources described as an "informal meeting of old friends". Also present at the luncheon was Deputy Foreign Minister Wichian Watthanakhun. Asa also informed Souban of the Thai government's plan to increase the aid package to Laos to help develop its economy, according to the sources.

Malaysia Seizes 48 Trawlers in 1st Quarter of 1991

BK1204055391 Bangkok BANGKOK POST in English 12 Apr 91 p 3

[Text] Forty-eight Thai trawlers were seized by Malaysian authorities between January and March this year, Foreign Ministry spokesman Sakthip Krairoek said yesterday.

Quoting a report compiled by the Thai Consulate-General in Kota Baru, the spokesman said that in one week from March 19-26 alone, 17 Thai fishing boats were caught in Malaysian waters. "We call upon the Thais to strictly abide by the law in order to prevent trouble," he said.

From January to March this year, 48 Thai boats were arrested in Malaysian waters, and prosecuted in the Kelantan and Trengganu courts. The courts ordered the seizure of 47. The other trawler, the Chokethawee, was set free because of proof that it was actually travelling in the area without fishing. The Malaysian courts also jailed 251 crewmen of the boats.

It is estimated that the arrests have brought about 94 million baht in losses, and this figure did not take into account expenses for repatration of the crews, the spokesman said.

Of all the Thai trawlers seized and confiscated under court orders last year, Malaysia sank 12 of them off its coasts for fish breeding purposes, sold five to the state fishery authorities and gave 16 to the National Security Unit.

Ukrit Says Elected Government 'New Year's Gift'

BK1204014791 Bangkok THE NATION in English 12 Apr 91 p A1

[Text] National Assembly President Ukrit Mongkhonnawin has expressed optimism that an elected government would be a "New Year's gift" for the Thai people, and said the caretaker government, with the consent of the military, could seek a Royal Command to end martial law.

He said during an exclusive interview with THE NATION on Tuesday that he hoped his interim legislative body would complete Thailand's new constitution before this year-end so that a general election could be held within this year or early next. "Drafting the Constitution will take about six months," he said. "Then we will have about two months in which to prepare for a general election. I want to confirm my intention that (an elected civilian government) should be a New Year's gift for the Thai people."

Ukrit former Parliament president and one of the country's most prominent lawyers, asked the public to give the military-dominated National Assembly time to prove itself. "It's not uncommon for people to dub this assembly a 'rubber stamp' body. But the end result should prove its true intentions. Can we be presumed innocent?" he asked.

Despite the large military presence in the interim assembly, Ukrit said he hoped the legislative body would have a substantially free hand in adopting the new constitution. "In a situation like this, having a national assembly of this kind is unavoidable. How the body will perform depends on its leader," he said.

The National Peacekeeping Council [NPKC] which formed the National Assembly after it toppled the elected Chatchai government on Feb 23, is pushing to limit MPs' [members of parliament] access to Cabinet posts while allowing bureaucrats to serve concurrently in the Cabinet. Ukrit apparently favours the idea that MPs must give up their parliamentary status before becoming Cabinet members. He said the proposal had been wrongly interpreted as "the separation of legislative and executive powers".

According to Ukrit, if the legislative and executive branches are to be really separated, it would inevitably lead to the controversial question of whether Thai people should directly choose their prime minister. Ukrit is opposed to the prime ministerial election, saying it is too Western and does not suit Thailand's system of constitutional monarchy.

The assembly president yesterday also voiced strong opposition to the military's proposal to allow permanent government officials to assume political positions. Soem NPKC leaders have softened their stand on the proposal. "I absolutely don't agree (with the idea of Cabinet posts being held by active permanent officials). If the MPs

can't wear two hats at the same time, bureaucrats should not be able to either," he said.

He also disputed the military's idea of increasing senators' power. "Personally, I would love to see a single-house parliamentary system, if the party system was strong enough," he said.

Ukrit is pushing for the so-called proportional representation electoral system, under which political parties share their House seats in accordance with the percentage of votes won in each constituency. He said the method would get rid of vote-bying and consolidate political parties into only a few strong groups.

He said the existence of the Senate, adopted under the concept that it should act as a "handler" of MPs in Thailand's nascent democracy, has created several controversial problems. "A major question is how to form a Senate. By appointing it, as we have done? That has brought too much criticism. By election? Ten political parties will absolutely step in. If we can't make MPs' elections less dirty, we can't expect Senate electoins to be clean," Ukrit said.

Commenting on increasing calls for the scrapping the martial law, Ukrit said caretaker Prime Minister Anan Panyarachun could seek a Royal Command for its revocation. Ukrit noted that as the NPKC was the one that imposed the martial law, its consent was important if Anan was to recommend that His Majesty the King issue a Royal Command revoking it.

Minister on Meeting for 'Alternative Constitution'

BK1204044991 Bangkok THE NATION in English 12 Apr 91 p 14

[By Charoenlak Phetpradap and Sumitra Hanpanyaphichit]

[Text] Police may take legal action against former MPs [members of parliament] who plan to hold a meeting to coordinate efforts by politicians to draft an "alternative constitution" in violation of a military council's order banning political gatherings, Interior Minister Itsaraphong Nunphakdi said.

Gen Itsaraphong was commenting on the request presented to the prime ministeer by former MP Sutham Saengprathum (Solidarity—Nakhon Sri Thammarat) seeking permission for former MPs to meet openly to draw up a new charter. "It will be alright if he (Tutham) sends in suggestions to the constitution drafting committee even though he is not a member of the National Assembly," the minister said. "Constructive criticism will be accepted, but any attempt to create a disturbance wil not be tolerated."

He said police would definitely interpret the planned meeting by the politicians scheduled for April 23 as a violation of the ban on political gatherings of more than five people and would take action accordingly. "As long as martial law remains in place no political gathering will be allowed," the minister said.

The National Peacekeeping Council has banned political gatherings of more than five people since it seized power from the Chatchai government in a bloodless coup on Feb 23 and imposed martial law. Prime Minister Anan Panyarachun has said that martial law would be lifted soon.

The National Assembly set up by the military council recently appointed a committee, chaired by Deputy Prime Minister Michai Ruchuphan, to draft the new constitution, expected to be completed by the end of this year.

Sutham has named a group of six ex-MPs., including Phiraphan Phalusuk (Solidarity—Yasothon) and Chaturon Chairsaeng (Chat Thai—Chachoengsao), which he said would set up a forum to mobilize ideas from politicians, academics and the general public on the make-up of the new constitution. Many MPs have voiced objection to the military's idea of barring elected MPs from taking Cabinet posts without first giving up their parliamentary seats.

The military said the measure is aimed at preventing politicians from bankrolling their way into Cabinet posts for personal gain. But most politicians said they believed the move is aimed at strengthening the position of government officials, particularly the military, in politics.

—The new constitution should specifically prohibit power seizures by the military, which are a greatger threat to democracy than vote-buying, former Si Sa Ket MP Piyanat Watcharaphon said yesterday. Piyanat said the military's proposal to bar elected MPs from taking Cabinet posts without first giving up their parliamentary seats was a good idea but said outlawing coups was more important. "What is the use of taking all the trouble to draw up a new constitution when we know that sooner or later it would be trampled upon by a future coup," he said. "The preservation of a constitution, which is the rule of the game in poltities, is more important than measures to prevent politicians from buying votes."

The outspoken politician also criticized the provisional constitution drawn up by the military as being biased in favour of government officials, particularly the military. He said the current charter was aimed at tightening the grip of government officials in the governance of the country. He pointed out that government officials tended to serve their own interests rather than the public interest in running the country. Therefore, they needed the guidance of politicians on how to serve the public.

Government, Military Officials Discuss Policies

BK1204035391 Bangkok THE NATION in English 12 Apr 91 p 14

[By Sorayut Suthasanachinda]

[Text] Top government and military officials met yesterday to discuss ways to increase Thailand's economic cooperation with neighbouring states with the ultimate aim of turning Thailand into the economic hub of the region, Deputy Prime Minister Sano Unakun said.

It was the first joint meeting between the officials from the government and military agencies on foreign policy after the government announced it in the national assembly, last week.

The meeting chaired by Prime Minister Anan Panyarachun was also attended by Army Commander in Chief Suchinda Khraprayun, Deputy Prime Minister in charge of security and foreign affairs Phao Sarasin, PM's [Prime Minister's] Office Minister M.R. Kasemsamoson Kasemsi, Interior Minister Gen Itsaraphong Nunphakdi, Deputy Defence Minister Gen Phisit Salikhup and Security Council Chief Suwit Suthanukun.

Sano who was also at the meeting said it was held to lay down guidelines for the agencies concerned on how to go about implementing foreign policy effectively. The policy stipulated that the government would step up cooperation in the economic, technical and cultural fields with other developing countries, especially Thaland's immediate neighbours.

Sano said the meeting discussed various dimensions of economic cooperation with neighbouring states, including Laos, Vietnam, Cambodia and Burma. He added that the cooperation underlined mutual benefits and would eventually serve Thailand's goal of being the economic hub of the region. Priority would be given to helping those states to build infrastructure which was a basic necessity for developing their economies, according to the Deputy Prime Minister. He said this sort of assistance would be increased more than before but he did no elaborate on what form the aid would take, whether it would be direct or indirect.

Thailand currently helps those nations to lobby for economic assistance through such bodies as the United Nations Development Programme and the Economic and Social Commission for Asia and the Pacific. Sano said the meeting also discussed the provision of technical training in various fields to those countries.

'Angry' Unions Threatening 'Non-Violent' Campaign

BK1204032791 Bangkok BANGKOK POST in English 12 Apr 91 p 3

[Text] Angry union leaders are threatening a "non-violent" campaign against the Government's move to axe their state labour unions.

The workers' representatives were stunned to learn the Government is seeking approval from the National Legislative Assembly [NLA] for two bills disbanding the state enterprise unions. They say they had repeated promises from ministers that they could put their case to the Prime Minister but then they find that the matter was slipped quietly through Cabinet two days ago.

State enterprise labour leaders called an urgent meeting at the Bank for Agriculture and Agricultural Cooperative head office last night. "We are very sad and disappointed to learn about the move," Mr Bunthiam Khamchu, president of Thai Trade Unions Congress said. He complained that the Government and the military junta did not try to understand workers. "It's like we were punched with our hands tied," he said.

Mr Bunthiam warned that the move to disband the workers would not be totally "easy" although the two bills may eventually be approved by the National Legislative Assembly.

"The NPKC [National Peacekeeping Council] and the Government should know that whenever there is dictatorship, there is always a struggle," he said. Mr Bunthiam also criticised a provision in one of the bills where workers must call their organisations "associations" or "unions" in English language. This is to avoid breaching the International Labour Organisation (ILO) convention on worker's basic right to form a union and association. "Why should the NPKC and the Government care about the Convention? What they did in February was far worse in the eyes of the world," he said.

Mr Bunthiam said workers would not resort to any action which would affect public services as a means of opposing the bills. He also said workers were fully aware of the existence of martial law. "I think workers should act as we used to do. Stay silent, during the period of dictatorship of Field Marshal Sarit Thanarat," he said sarcastically.

Earlier, a group of 15 state enterprise unions led by Sane Tantisano, secretary-general of the State Enterprise Labour Unions Relations Group (SELURG), submitted a letter urging the Prime Minister to hold talks with them on Monday to discuss the issue.

Phongsak Plengsaeng, secretary-general of the Communications Authoritiy of Thailand (CAT) labour union said the union leaders were disappointed with the Government and the NPKC. Mr Phongsak, who is also the spokesman of the SELURG said the group had all along tried to provide the Government and the military council with explanations on the matter. It has also insisted on using negotiations as a means to find solutions to the problem, he said. Despite promises by some Cabinet ministers, the unionists have never been allowed to meet the Prime Minister, he said.

Mr Phongsak said the Cabinet instead hastily approved the bill in its meeting on Tuesday. "Given that some 300,000 workers put their livelihood and future with state enterprises, has the Government thoroughly thought things through before it breaks an ax handle over the knee?" he said.

Assembly To Hold Session on 'Urgent' Labor Bills

BK1204021591 Bangkok THE NATION in English 12 Apr 91 pp A1, A2

[By Sorayut Suthatsanachinda, Prakopphong Panaphan, and Chaloenlak Phetradab]

[Text] The National Assembly will hold a special session on Monday to legislate "urgent" bills which would dissolve state enterprise labour unions and deny their workers the right to down tools [go on strike].

But one of the new bills, which was specially tailored to govern labour disputes at state firms, gives the employees the right to form "associations" as the mechanism to look after employment benefits. These associations, however, are prohibited from instigating workers to conduct work slowdowns, call meetings on work days or down their tools.

A highlight of the draft is the stiff penaltty for those who violate the ban on work stoppages. The violator is liable to a maximum jail term of one year or a fine of Bt [baht] 20,000 or both. Anybody who instigates the violators to down tools will face double penalties. The other bill would amend the Labour Relations Act to remove state firms from the law. The two bills, approved in principle by the Cabinet last Tuesday, are expected to sail through the military-backed caretaker government's swift move.

Unionists did denounce the move but they sounded resigned when asked for their reaction. One of them, At Si-at, president of the National Council of Thai Labour (NCTL), even bitterly said that they can do nothing to stop it under martial law.

Interior Minster Gen Itsaraphong Nunphakdi, who is also secretary-general of the National Peacekeeping Council [NPKC] and the main figure in the move, warned state enterprise workers against opposing the legislations, urging them to uphold common interest. Asked about reports that the labour unions would ask foreign labour agencies to come to their rescue, Itsarphong said the labour leaders should bear in mind that they are Thais. "They shouldn't be preoccupied with their personal interests. Please think seriously of public interest. Seeking foreign intervention is tantamount to inviting them to offend the Thai people's interests," he said.

The minister said that the caretaker government has already given freedom to labour groups but warned them against breaking the law if they were to oppose the move to legislate the new bills. Workers can gather to celebrate May Day, but legal action would certainly be taken against any of them who exploited the event and broke the law, he said.

Itsaraphong urged the labour leaders to let the National Assembly decide on the legislations and to air their views through their four representatives in the body. "The matter is now in the National Assembly. It has passed the process under the purview of the government," he said.

NCTL leaders, who held a closed-door meeting at the Royal Rattanakosin Hotel, angrily condemned the move to remove state enterprises from the Labour Relations Act. Participants also lashed out at "government" interference" which they said had caused disunity in the labour movement's campaign against the move. "Some of us asked whether the four labour leaders appointed to the National Assembly had any secret deals with the military," said one participant who asked not to be identified. Condemning the move, some angry participants also attacked the military and the government and said they regretted that the Cabinet of Gen Chatchai Chunhawan had been ousted.

At told reporters that the new legislations placed emphasis on banning work stoppages at state enterprises and predicted that it would be followed by privatizing state firms. This would lead to inconveniences for the public, who may have to pay higher bills for public utilities and services, he claimed. But he added that the state enterprise workers could do nothing to stop the move.

At, one of the four labour leaders in the National Assembly, said the four would debate against the bills during the session on Monday. Members of the State Enterprise Union Relations Group, meanwhile, held a meeting last night at an undisclosed venue to discuss the issue and work out measures to counter the government's move.

Premier Anan Panyarachun confirmed that the bills had been placed on the agenda of the National Assembly's special meeting on Monday but declined to make further comments.

Following the passage of the bills, the caretaker prime minister is expected to lift martial law. NPKC deputy chairman Gen Suchinda Khraprayun, who is also army commander-in-chief, said in a previous interview that he intended to see martial law lifted the morning following the passage of such a legislation.

Informed sources said that the premier and the NPKC leaders fully agreed that the lifting of martial law is urgently needed in order to improve the image of Thailand in the international community. The urgency is underlined by the fact that Prime Minister Kaifu of Japan is due here at the end of this month.

"It won't look nice if the Japanese prime minister visits a country which is under martial law," one source said.

Resolving the issue this month will also pre-empt any possible plan by unionists to exploit the May Day celebrations to create unrest and resist the plan to disband their unions, the sources said.

National Assembly President Ukrit Mongkhonnawin yesterday denied any knowledge of the government's request for the special session of the legislative body but said that he would hurriedly comply if the request was made to him. But the Assembly secretariat yesterday

circulated official notes to its members asking them to attend the special session Monday. According to the note, the session was called in response to an "urgent request" by the prime minister for the assembly to deliberate on the two specified legislations.

Deputy Prime Minister Michai Ruchuphan, meanwhile, told THE NATION that Cabinet agreed in principle to the enactment of a new law to guarantee the basic rights of state firm workers to get organized and submit proposals for better benefits. Michai admitted that Interior Minister Gen Itsaraphong Nunphakdi was pushing for passage of the legislations through the assembly.

In summarizing the reasons to place state firms under a separate legislation, Michai said: "The Labour Relations Act and state firms are like a pot and a lid of different sizes." He said that the Labour Relations Act was primarily designed to facilitate the resolution of labour disputes in the private sector based on mutual interest. Workers and their management are both given their respective bargaining chips if they fail to resolve their disputes. The workers' last resort is to stage a strike, while the management can finally shut down the factory," he said.

But this principle cannot work with state firms which handle vital public utilities and services because the management cannot close down production, a move which would cause extreme hardship to the public, he said, implying that employees and managements at state enterprises are thus not on an equal footing under the law. Unlike privately-owned enterprises, state firms come under the government, set up through promulgation of laws, and their employment conditions were governed by regulations issued under the laws, he said.

With excessive legal powers, the past activities of state enterprise unions were abused by politicians to serve political motives and in many cases, the management gave support to the unions out of their own personal interests, he said. He said that agreements between striking unionists and the management of a state firm also affected the other state enterprises which may not be capable of meeting the demands for better pay and fringe benefits. Such agreements also involve other agencies, including the Finance Ministry, he said, as well as regulations and laws.

As a matter of fact, the power to regulate employment conditions at state firms belongs to the state. The Labour Relations Committee, which was set up under the Labour Relations Act, may come up with any decision on disputes at state firms but they sometimes cannot be applied because they go against rules and regulations," he said.

"The mechanism stipulated under the Labour Relations Act just does not fit state enterprises and therefore we need a new legislation which should incorporate the principle that state firms are different from privately-run enterprises in terms of ownership, employment conditions and the nature of their business. Secondly, the new legislation should also recognize the basic rights of workers to get together and submit demands for better pay and welfare," he added.

He said when the idea was first raised that state enterprises should be only removed from the Labour Relations Act and their unions automatically disbanded, he voiced an objection because he believe that new legislation should be drawn up and promulgated for them. Such a new legislation would ease tension and without it, the repercussions could be "dangerous", he added.

Under the draft to govern state firm labour disputes, workers of a state enterprise can set up an association if they can recruit at least 30 per cent of the overall workforce as members. The association can file complaints and put proposals to a labour relations committee to be set up within the enterprise. The committee will comprise equal representatives from the association and the management and be chaired by an employee appointed by a national committee, to be named by State Enterprise Labour Relations Committee chaired by the interior minister and composed of representatives elected by state firms' associations and their managements. A number of senior government officials, including the Labour Department director general, the permanent secretaries for the Interior Ministry and the Finance Ministry, and some "qualified outsiders" would also be appointed by the minister to the committee.

A state firm's labour relations committee will rule on the proposals and complaints by the association and submit their findings to the management for action. Associations, however, can appeal to the national board if they disagree with the decisions made by the respective labour relations committee.

Under the draft, the interior minister will also appoint a registrar who is empowered to enforce the legislation on forming associations and to sack any disqualified association executives.

Interior Minister on Amendment of Labor Act

BK1104154391 Bangkok Army Television Channel 5 in Thai 1230 GMT 11 Apr 91

[Text] General Itsaraphong Nunpakdi, interior minister and secretary general of the National Peacekeeping Assembly, said that the draft bill removing state enterprises from the Labor Relations Act had been approved by the Cabinet and will be forwarded to the National Legislative Assembly [NLA] for consideration. The purpose of the amendment was to make the law benefit all parties concerned. He said that he leaves it to the NLA whether the bill should be enacted into law. Concerning a move taken by the state enterprise labor unions, he said that they must decide between their personal gains and national interests.

[Begin Itsaraphong recording, in progress] We in the Cabinet have been trying to comply with whatever they

demanded. We are now waiting for an elected government. The present Cabinet is working hard, as we have only a short time. Well, if the law does not get support from the NLA... [changes thought] Well, I don't want to interfere. Let us put it this way, if the law is passed by the NLA, it will help to make elections fair and clean, and everything will improve. The problem of influence does not concern only a single person, it comes in groups or in the form of mob rule threatening the entire nation. This is not good. Therefore, I wish the labor unions would try to understand the situation and refrain from making complaints. Well, we can talk it out among ourselves. They can air their views with the NLA. [end recording]

Chatchai Returns 11 Apr 'Amid Tight Security'

BK1204043991 Bangkok BANGKOK POST in English 12 Apr 91 pp 1, 3

[Text] Deposed prime minister Chatchai Chunhawan returned to Thailand early yesterday morning amid tight security and was whisked straight from the plane to his Soi Ratchakhru residence by heavily- armed Air Force commandos.

Gen Chatchai, his wife Thanphuying Bunruan, their daughter Wani, a granddaughter and her husband, daughter-in-law Anothai (who recently married Gen Chatchai's son Kraisak in London), a maid and an unidentified man who took Mr Kraisak out of the country afer the February 23 coup, reached Bangkok at 8.05 a.m. on a Thai International flight from London.

A large number of reporters and some MPs [members of parliament] waited for Gen Chatchai in the VIP lounge but did not get a chance to see him. Air Force Col Ammarit Charayaphan,, who led the team which arrested Gen Chatchai at gunpoint on board a C-130 transport plane during the February 23 coup d'etat, met the former prime minister on the plane yesterday.

The Premier and his party were then taken straight home from the plane in a convoy of Mercedes Benz and Volvo cars. Eight crack Air Force security commandos, with Uzi sub-machine guns and sidearms, rode in two cars at the head and tail of the convoy. Two Air Force motorcycles led it to Soi Ratchakhru.

Reporters, as well as numerous intelligence officers from the Special Branch Police and other official agencies, waited for him in front of the house. Gen Chatchai waved to reporters but did not open his window to talk to them.

Many relatives and former Chat Thai MPs were waiting to greet him inside the house. Former MPs who turned up to welcome Gen Chatchai included Chaturon Kotchasi (Chumphon), Weerawon Sitthitham (Nakhon Panom), Somsak Chandhaikit (Rayong), Bunloet Sawangkun (Nakhon Ratchasima), Tosu Sitthikun (Buri Ram), Chanchai Patumarak (Nakhon Pathom), Bun-ua Prasoetsuwan (Suphan Buri), and Samarn Phummakachana (Prachinburi). Former secretary-general to the prime minister Gen Wanchai Chitchamnong was also there.

Gen Chatchai arrived home at 8.45 a.m. and greeted the well- wishers before going inside his house. Later duck noodles and drinks were ordered from a nearby shop for those inside the house. Gen Chatchai also sent out duck noodles for the reporters outside.

According to well-wishers who emerged from the house later, Gen Chatchai will be in Thailand until next Tuesday when he leaves for Switzerland. At 3 p.m. today he is scheduled to receive a royal decoration from His Majesty the King in a ceremony at Chitlada Palace.

Tomorrow he will hold a religious ceremony to make merit to his ancestors at Wat Phra Si Mahathat in Bang Khen. On Sunday he is scheduled for an audience with the Her Royal Highness the Princess Mother at the Doi Tung Palace in Chiang Mai.

Mr. Somsak Chandhaikit told reporters that Gen Chatchai used his favourite phrase—"No problem"—to describe his stay in England. "Gen Chatchai said that he was fine there because people welcomed him with honour and many countries had extended invitations to go and live there," Mr Somsak said. Mr Somsak said he did not know if the MPs' plan for a Rot Nam Dam Hua Songkhan ceremony for Gen Chatchai would be held. "But I think that from today until next Tuesday there will be a lot of former MPs coming to see him," Mr Somsak added.

Mr Chaturon Kotchasi said the former premier greeted him jovially as he always had in the past. He said Gen Chatchai was worried about Thailand because of its image problem in the eyes of foreigners and was concerned that this would affect the US$4,000 million export sector. "In Europe and the US they give a lot of importance to elected governments, no matter who may be in the government," Mr Chaturon said. Gen Chatchai told him that many relatives and friends went to see him in England.

Mr Chaturon said that Mr Kraisak would probably stay on in England as some universities there had offered him lectureships.

The former premier also expressed concern about the Chat Thai Party and said he wanted it to carry on with its activities. Mr Chaturon said his party would wait to see the new constitution before starting to think about who should succeed Gen Chatchai as party leader.

Asked if people from Gen Chatchai's Nakhon Ratchasima constituency would come to see him, Mr Chaturon said the premier said it was "not necessary" for them.

Vietnam

U.S. 'Positive Attitude' in Talks Acknowledged

BK1104143291 Hanoi International Service in English 1000 GMT 11 Apr 91

[Station commentary]

[Text] Three days ago, the fifth official meeting between Vietnam and the United States was held at the office of the Vietnamese representation in New York. Mr. Trinh Xuan Lang, ambassador and head of the Vietnamese representation at the United Nations, represented the Vietnamese side. Richard Solomon, U.S. assistant secretary of state for East Asian and Pacific Affairs, represented the USA. The two sides discussed the normalization of relations between the two countries, the Cambodian issue, and other issues of mutual concern.

The meeting itself spells out constructive attitude and goodwill. Vietnam wants to have dialogue with the USA for better understanding of each other's stand and for normalizing relations between the two countries. Regarding the Cambodian issue, Vietnam wants to have an early solution to the issue, and in fact, Vietnam always shows its goodwill in working out an overall political solution to the Cambodian issue on the basis of respect for the Cambodians' sovereignty and self-determination. That stand of Vietnam has been acknowledged by many countries, including the USA. It can be seen in a recent meeting between Vietnam and some foreign countries such as Indonesia, Australia, and France. These countries have sent representatives to discuss with Vietnam an early settlement to the Cambodian issue.

Mr. Solomon also said that he was sent by President George Bush and Secretary of State James Baker to meet with Ambassador Trinh Xuan Lang and handed over to him a roadmap for the normalization process as well as other issues.

After the fifth Vietnam-American meeting, Mr. Solomon said the U.S. is ready, step by step, to fully normalize its political and economic relations with Vietnam. Vietnam acknowledges the positive attitude of the USA. In reality, in recent times, Vietnam has done a great deal toward that goal. In late March, talks were held in Hanoi between Vietnam and a U.S. delegation led by adviser to defense secretary Bill Jordan on issues of Americans missing in action. Now, Vietnam is prepared for talks with U.S. President's special envoy John Vessey on the MIA issue in his coming visit to Hanoi.

Meanwhile, many U.S. senators and businessmen have taken action to improve relations with Vietnam. In the first week of April, Republican Senators John McCain and Jim Gramm visited Vietnam and expressed, among other things, their desire for normalizing the U.S.-Vietnam relations. For him, Senator McCloskey introduced a bill calling the White House to lift its economic embargo against Vietnam and improve relations with Vietnam. A number of American businessmen have been urging the government to adopt a flexible policy toward Vietnam and improve its relations with Vietnam.

All these moves show that normal U.S.-Vietnamese relations conform to the desire of people of the two countries. Worthy of note is many American businessmen and politicians have adopted positive programs toward this aim. Even the Bush administration has also taken positive steps toward this end. However, people are looking forward to further acts from Washington and the Bush administration to match its words about normalizing relations with Vietnam.

Do Muoi, Others Receive IAEA Delegation

BK1104152891 Hanoi VNA in English 1236 GMT 10 Apr 91

[Text] Hanoi VNA April 10—A delegation of the International Atomic Energy Agency (IAEA) led by Director General Hans Blix visited Vietnam from April 6-10.

While here, the delegation paid tribute to President Ho Chi Minh at his mausoleum and visited his house and office.

It was cordially received on April 9 by Chairman of the Council of Ministers Do Muoi, who valued highly the assistance of IAEA headed by Hans Blix to Vietnam in the past years. He expressed his hope that the cooperation and assistance from IAEA would be further promoted in the coming period. He laid stress on the role and significance of the use of atomic energy for peaceful purposes and reaffirmed Vietnam's policy of the development of this scientific branch.

The director general valued highly the encouraging achievements Vietnam has gained in the process of renovation. He expressed his satisfaction at Vietnam's efforts in using the atomic energy in service of people's life and affirmed that IAEA would continue to cooperate with and help Vietnam.

Present on the occasion were Minister Nguyen Dinh Tu, head of the State Atomic Energy Institute; Tran Huy Chuong, assistant to the foreign minister; David Smith, coordinator of the UN development activities and resident representative of the UN Development Program in Hanoi.

It was received on separate occasions by Foreign Minister Nguyen Co Thach and Vice Chairman of the Council of Ministers Vo Nguyen Giap. It called at the Dalat Atomic Energy Institute.

VNA Cites Party Science, Technology Resolution

BK1204101091 Hanoi VNA in English 0620 GMT 12 Apr 91

[Text] Hanoi VNA April 12—All Hanoi dailies today publish in full the resolution of the Political Bureau of

the Communist Party of Vietnam Central Committee on science and technology in the current renovation process.

The resolution recalls that the 6th party congress (1986) already stressed the need of making science and technology a vigorous motive force of renovation aimed at stabilizing the situation and spurring socio-economic development in the direction of socialism.

"However," the resolution notes, "scientific and technological development of our country has been slow and accordingly, cannot yet meet the pressing demands of renovation. In social sciences, we have not been able to analyse and explain in a scientific and convincing way a series of basic questions arising from realities of our time. In the domain of natural sciences and tchnology we have failed to greatly help in economic development in terms of productivity, quality and efficiency and the quick development of high-tech branches."

The resolution points to the following basic and imperative tasks:

To creatively apply and develop Marxism-Leninism and President Ho Chi Minh's thoughts and perfect the theoretical basis for the implementation of the party's platform on socialist construction and the strategy for socio-economic stabilization and development up to the year 2000. We need also to deepen our studies problems relating to our time, the scientific and technical revolution, socialism, modern capitalism and the transition period in our country in the light of the national characteristics and basic trend of our time.

Science and technology must contribute more actively to the development of agriculture, forestry, fishery and processing industry, for instance, the creation and proliferation high-yielding plants and animals suitable to the ecological conditions of each region, and the use of new technologies in the preservation and processing of agricultural, forest and aquatic products.

To concentrate efforts on developing a number of key branches such as electronics, informatics and new materials and new manufacturing technologies, to apply biotechnology in agriculture, food industry, medicine, pharmacy, atomic energy and different forms of re-usable energy.

The resolution sets forth major measures to promote scientific and technolgical development. These investments include, among other things, the following: to increase from different sources, to allocate a higher percentage of the state budget to science and technology (at least 2 percent of the annual budget); to broaden and raise the efficiency of international cooperation in science and technology; to encourage and facilitate the cooperation of foreign scientific organizations and scientists in research; to build international scientific and technological centres in our country in the branches of our concern; to use international aid for the modernization of the existing material and technical bases and for personnel training; to set up a number of scientific centres in important areas, etc.

More incentive policies are needed to stimulate research, the assimilation and application of scientific achievements and new technologies such as long-term credits at low interests, price subsidization, trade protection, tax exemption and reduction for the renewal of technology and of products in all economic sectors, especially with regard to the scientific and educational organizations.

The resolution also lays down measures to renovate and strengthen the leadership of the party, improve the state management of scientific and technological work.

Counterintelligence Department Holds Review Meeting

BK1204034691 Hanoi Domestic Service in Vietnamese 2300 GMT 2 Apr 91

[Text] On 1 April 1991 in Hanoi, the Interior Ministry Counterintelligence Department held a meeting to review the national security protection movement, the internal protection work for offices and enterprises in 1990, and to discuss direction and duty for 1991.

In the future, the security forces will coordinate more closely with sectors to intensify educational propaganda in order to enhance the knowledge of cadres, party members, and personnel staff concerning the works of fatherland security protection and internal protection and to help the sectors strengthen measures to protect large economic projects, national secrecy, economic secrecy, and cadres and to understand that the national security work must practically serve the party and the state's renovation policies and viewpoints.

On this occasion, the Interior Ministry granted certificates of merit to five units and the Counterintelligence Department granted certificates of merit to eight units and recognized 12 units with excellent achievements on work in national security protection and internal protection. The department also granted the "Determine To Win" title to some units and seven individuals.

Winter-Spring Rice Planting Exceeds Target

BK1204033091 Hanoi Domestic Service in Vietnamese 0500 GMT 1 Apr 91

[Text] So far, 2,127,000 hectares of winter-spring rice crop have been planted nationwide, exceeding 0.65 percent of the planned target and more than 53,000 hectares of the last year's winter- spring rice crop.

The provinces of the Hong River delta exceed nearly one percent, Mekong River delta exceeds more than five percent, and other areas reach between 82 to 99 percent of the planned target.

Australia

Kurds To March on U.S. Embassy in Canberra

BK1104113491 Hong Kong AFP in English 1111 GMT 11 Apr 91

[Text] Canberra, April 11 (AFP)—Members of the Australian Kurdish community plan a protest march here Friday in support of the hundreds of thousands of Kurdish refugees fleeing Iraq.

Organisers said Thursday the demonstrators will march to the U.S., Soviet, and Iraqi Embassies and the Australian Parliament.

"Members of the Australian Kurdish community, while appreciating the federal government's offer of humanitarian aid to the Kurdish refugees, strongly condemn the government's lack of interest to play an active role in support of the Kurdish people, especially in regard to the ongoing genocide," said a spokesman.

There are an estimated 5,000 Kurds living in Australia.

Australia has announced that it is sending a plane load of supplies to boost allied emergency air drops to Kurdish refugees.

A Royal Australian Air Force Boeing 707 will leave for Turkey Saturday loaded with 22 tonnes of urgently needed supplies.

The aid is in addition to the six million Australian dollars (4.70 million U.S.) Australia had already provided in emergency relief funds.

Kurds Smash Windows of Iraqi Embassy

BK1204095291 Hong Kong AFP in English 0945 GMT 12 Apr 91

[Text] Canberra, April 12 (AFP)—Thirty demonstrating Australian Kurds stoned the Iraqi Embassy here as a protest march turned violent Friday.

They were part of a breakaway group from 100 members of the domiciled Kurdish community who marched on the Iraqi, U.S. and Soviet Embassies to protest the plight of Kurdish refugees fleeing strife-torn Iraq.

An Iraqi Embassy spokesman said 12 embassy windows were broken during the attack but none of the five staff inside at the time had been injured. The Australian Government said it would pick up the bill, he added.

The rock-throwing came at the height of a five-minute struggle with 40 security personnel assigned to cover the demonstration.

An Australian Federal Police spokesman said there had been no arrests and no charges had been laid.

He said one officer had suffered a superficial injury after being hit by a rock.

Kurdish Australian Association spokesman Mohamed Omari said it was sad that violence had erupted, but the Australian public had to realise the demonstrators had relatives who had been suffering under the Iraqis for years.

"We are talking about the uprooting of three million people," Mr. Omari said.

Hawke Gold Tax Pledge Linked With Contribution

BK1204124891 Hong Kong AFP in English 1219 GMT 12 Apr 91

[Text] Sydney, April 12 (AFP)—Australian Prime Minister Bob Hawke said Friday he would be prepared to appear before the royal commission investigating the commercial activities of recent western Australian state governments.

The offer followed evidence by businessman Laurie Connell to the commission that he donated 250,000 Australian dollars (195,000 U.S.) to the ruling Labor Party in 1987 after Mr. Hawke had pledged not to introduce a gold tax.

Mr. Hawke has admitted he may have discussed the proposed tax with Mr. Connell during an election fundraising lunch in Perth in June 1987, but told reporters Friday that he made no promise in return for a donation to his party.

Mr. Connell, who held a 70 percent share in a gold-mining company at the time, told the commission that the pledge did not directly motivate although he said it might have influenced him.

The prime minister said he would be willing to appear before the commission.

"If the royal commission at any stage wanted to hear me, of course I'd appear before it," Mr. Hawke said here. "I have no apprehension at all as far as this government is concerned or any of its members as to what may emerge."

Mr. Connell's evidence on Thursday involved the prime minister, who apologised for misleading Parliament over the timing of the gold tax exemption.

Mr. Hawke's government has been under scrutiny from the opposition, which is demanding an explanation in the wake of Mr. Connell's testimony.

Mr. Hawke first said during Thursday's parliamentary question time that the government had not made its decision to continue a gold tax exemption until well after his lunch with Mr. Connell.

Yet late Thursday he conceded to parliament that his recollection was wrong.

"But for me, most importantly no one can question the critically important standard I have asserted for myself and for my government that our policies cannot be secured by the provision of financial support," Mr. Hawke said.

The record of events confirmed that on the morning of the lunch he made a "categorical assurance" in a radio interview that if re-elected the government would not impose a gold tax.

The tax finally came into force at the start of 1991.